ANNUAL REPORT
FISCAL YEAR 2001
For
Arizona Department of Health Services
Division of Behavioral Health Services
and
Arizona State Hospital

Jane Dee Hull, Governor

Catherine R. Eden, Director
Arizona Department of Health Service

Leslie Schwalbe, Deputy Director
Division of Behavioral Health Services

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Arizona Department of Health Services
Division of Behavioral Health Services
2122 East Highland Avenue, Suite 100
Phoenix, Arizona 85016
(602) 381-8999

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Arizona Department of Health Services

Office of the Director

1740 W. Adams Street
Phoenix, Arizona 85007
(602) 542-1025
(602) 542-1062 FAX

JANE DEE HULL, GOVERNOR
CATHERINE R. EDEN, DIRECTOR

January 1, 2002

The Honorable Jane Dee Hull
Governor
State of Arizona
1700 W. Washington
Phoenix, AZ 85007

Dear Governor Hull:

I am pleased to present the Annual Report for the Arizona Department of Health Services/ Division of Behavioral Health Services and the Arizona State Hospital for fiscal year 2001. This report is prepared in accordance with A.R.S. 36-3405 and 36-209(E) and combines the Annual Reports for the Division of Behavioral Health Services and the Arizona State Hospital, and reflects the activities of various components of these service areas.

The following are highlights of the accomplishments identified in this report:

- On June 26, 2001 the Federal District Court in Tucson, Arizona approved a settlement agreement between the Arizona Department of Health Services, Arizona Healthcare Cost Containment System and the Plaintiff's Attorney in the class action lawsuit known as Jason K. This settlement agreement ended ten years of litigation focused on the delivery of behavioral health services to Title XIX eligible children.

- In collaboration with Arizona Health Care Cost Containment System, the Department of Economic Security/Division of Developmental Disabilities, and community stakeholders, the Arizona Department of Health Services/Division of Behavioral Health Services developed the Olmstead Plan. The Olmstead Plan requires that the State provide appropriate community-based services to meet the needs of the disabled person in the least restrictive environment.

- The Covered Services Project is in the process of being implemented. This project, in collaboration with Arizona Health Care Cost Containment System, could bring into the state an additional $30 million in new Federal funds. The goal of the project is ensuring that all services that can be Medicaid reimbursable have been identified and that appropriate service procedure codes are put into place.

- Implementation of House Bill 2003, which appropriated an additional $70 million for behavioral health services. The goal of this bill is to provide behavioral health services to non-TXIX adults with serious mental illness and to children and families receiving services through the Arizona Department of Health Services, Department of Economic Security, Arizona Department of Juvenile Corrections, and the Administrative Office of the Court.

- Collaboration in the development of the Arizona Substance Abuse Treatment Fund (Senate Bill 1280) between the Arizona Department of Health Services, Department of Economic Security, regional behavioral health authorities, and faith-based organizations. This program provides a continuum of community-based family-centered services to parents whose substance abuse has been identified as a significant barrier to maintaining or reunifying the family, or to employment stability.

- The passage of Proposition 204 and approval from the Center for Medicaid and Medicare Services authorizes the state of Arizona to utilize tobacco settlement funds and federal Medicaid funds to provide Arizona Health Care Cost Containment System medical care coverage to Arizona residents at or below 100% of the Federal Poverty Level. To date, approximately 3,000 persons with a serious mental illness have become eligible for Title XIX coverage under Proposition 204.

- Arizona Medical Association Award: Dr. Jerry Dennis, the medical director for the Hospital, was selected to receive the first "Walk the Talk" Award presented by the Arizona Medical Association on June 8, 2001 following a CBS News 60 Minutes interview with Leslie Stahl. Jerry became a national celebrity when the program profiled his difficult struggle in a recent death penalty case involving a mentally incompetent inmate that he refused to restore to competency for execution based upon his personal and professional ethics.

- This year, the Northern Alliance for the Mentally Ill Arizona also chose to honor Dr. Dennis with the "Exemplary Psychiatrist Award" for contributing to greater public understanding of brain disorders, working to eliminate stigma, fighting discriminatory policies and caring for people who suffer from mental illnesses.

- The Arizona State Hospital has filled 80.6% of its 712 authorized positions as of June 30, 2001.

- In June 2000, the Hospital successfully regained federal Health Care Financing Authority certification. The Hospital maintained full accreditation by the Joint Commission on the Accreditation of Healthcare Organizations and fully met the conditions of the Arizona Department of Health Services licensure requirements.

- In May 2001, a new day treatment program was implemented to address the needs of civilly committed adult patients who are diagnosed with a serious mental illness and suffer concurrent substance abuse problems, as well. The Mentally Ill/Chemically Addicted Program is presented in a group format on the hospital grounds.

I pledge our continued efforts toward a system that provides quality behavioral health services to those in need, and which is accountable to the citizens of this State.

Sincerely,

Cathy Eden

Catherine R. Eden
Director

CLE:KA

Division of Behavioral Health Services
and
Arizona State Hospital

ANNUAL REPORT
FISCAL YEAR 2001

Submitted in Compliance with
A.R.S. § 36-3405 and 36-209(e)

Arizona Department of Health Services

~Leadership for a Healthy Arizona~

TABLE OF CONTENTS

Section I

Page

DIVISION OF BEHAVIORAL HEALTH SERVICES ANNUAL REPORT

Executive Summary 1-3

Description of the Division of Behavioral Health Services Delivery System 4-5

Map of Geographic Service Area (figure 1) 6

Client Served Report:

by Program Statewide, Fiscal Year 2001 (figure 2) 7

by Regional Behavioral Health Authority, Fiscal Year 2001 (figure 3) 8

by Administrative Funding, Fiscal Year 2001 (figure 4) 9

by Total Behavioral Health Services Funding (figure 5) 10

Enrolled Clients – Fiscal Year 2001 (figure 6) 11

Vision, Mission and Principles/Values 12

Organizational Structure of the Division of Behavioral Health Services 13-16

Organizational Chart (figure 7) 17

Division Accomplishments 18-52

New Initiatives 18-23

Covered Services 18-20

Proposition 204 20-21

Jason K. Settlement Agreement 21-22

House Bill 2003 22-23

Arizona Substance Abuse Treatment Fund (Senate Bill 1280) 23

Suicide Prevention (Senate Bill 1125) 23

Services to Persons in Need of Behavioral Health Treatment 23-37

Services Provided by the Bureau for Adult Services 23-27

Services Provided by the Bureau for Children's Services 27-33

Services Provided by the Bureau for Substance Abuse Treatment and Prevention Services 34-37

Services Provided by the Office of the Medical Director 37

Services Provided by the Office of Grievance and Appeals 37-39

Services Provided for American Indians on Reservations 39

Services Provided by the Bureau of Quality Management and Evaluation 39-45

Bureau of Planning and Council Support 45-50

Tobacco Tax Programs 50-52

Tobacco Tax Funded Programs Chart (figure 8) 52

ARIZONA STATE HOSPITAL ANNUAL REPORT

Section II

Introduction and Overview 1

Guiding Principles 2

Arizona State Hospital Operating Values 2

Governor Jane Dee Hull Presides Over Groundbreaking Ceremony 4

Hospital Receives "Spirit of Excellence Award" 8

Arizona State Hospital Staff Honors fiscal year 2000/2001 11

Programs and Departments 18

Treatment Programs 21

Process improvements; Therapeutic Modalities 23

Organizational Chart 24

Key Directions, Goals and Objectives 33

Summary of Future Challenges 39

Patient Demographics and Statistics 41

EXECUTIVE SUMMARY

The Arizona Department of Health Services/Division of Behavioral Health Services was recreated in 1986 with the intent to create a permanent authority for behavioral health services, and serves as the single state authority to provide coordination, planning, administration, regulation and monitoring of all facets of the state public behavioral health system. The Arizona Department of Health Services/Division of Behavioral Health Services is authorized to contract with community-based organizations, known as regional behavioral health authorities, to administer behavioral health services in the State. The State is divided into six geographic regions, called geographic service areas. Each region is assigned to a regional behavioral health authority.

Arizona Department of Health Services/Division of Behavioral Health Services is organized into three major areas: Fiscal Management, Quality & Compliance, and Clinical Services. The Deputy Director is responsible for providing leadership and direction in accomplishing the mission of the Arizona Department of Health Services/Division of Behavioral Health Services. During fiscal year 2000/2001, 113,065 clients, statewide, received services, with expenditures of $404,652,469.00.

The following are highlights of the accomplishments identified in this report:

- On June 26, 2001 the Federal District Court in Tucson, Arizona approved a settlement agreement between the Arizona Department of Health Services, Arizona Health Care Cost Containment System and the Plaintiff's Attorney in the class action lawsuit known as Jason K. This settlement agreement ended ten years of litigation focused on the delivery of behavioral health services to Title XIX eligible children.

- In collaboration with the Arizona Health Care Cost Containment System, the Department of Economic Security/Division of Developmental Disabilities, and community stakeholders, The Arizona Department of Health Services/Division of Behavioral Health Services developed the Olmstead Plan. The Olmstead Plan requires that the State provide appropriate community-based services to meet the needs of the disabled person in the least restrictive environment.

- Interagency Case Management Projects are fully implemented in Maricopa and Mohave Counties. The purpose of the Interagency Case Management Project is to centralize, coordinate, and manage the utilization of publicly administered services and funds for state agencies serving children. As of July 1, 2001, the Maricopa County Interagency Case Management Project provided services to 263 children, and the Mohave County Interagency Case Management Project has provided services to 186 children.

- The Covered Services Project is in the process of being implemented. This project, in collaboration with the Arizona Health Care Cost Containment System, could bring into the

state an additional $30 million in new Federal funds. The goal of the project is ensuring that all services that can be Medicaid reimbursable have been identified and that appropriate service procedure codes are put into place.

- The 300 Kids Project, which is a part of the Jason K. Settlement Agreement, was established as a focused effort to engage in system improvement activities. Two sites have been established, one in Maricopa (200 Kids Project), and one in Northern Arizona (100 Kids Project).

- Implementation of House Bill 2003, which appropriated an additional $70 million for children's behavioral health services. The goal of this bill is to provide behavioral health services to non-Title XIX adults with serious mental illness and to children and families receiving services through the Arizona Department of Health Services, Arizona Department of Economic Security, Arizona Department of Juvenile Corrections, and the Administrative Office of the Courts.

- Development and implementation of standardized core training for all community-based programs receiving Division of Behavioral Health Services prevention funding and provision of statewide leadership in the advancement of a common theoretical and research grounded model.

- Collaboration in the development of the Arizona Substance Abuse Treatment Fund (Senate Bill 1280) between the Arizona Department of Health Services, the Arizona Department of Economic Security, regional behavioral health authorities and faith-based organizations. This program provides a continuum of community-based family-centered services to parents whose substance abuse has been identified as a significant barrier to maintaining or reunifying the family, or to employment stability.

- The development of two new provider types, Community Service Agency and Therapeutic Foster Care Homes, and the implementation of a Title XIX Certification Unit.

- The passage of Proposition 204 and approval from the Center for Medicaid and Medicare Services authorizes the state of Arizona to utilize tobacco settlement funds and federal Medicaid funds to provide Arizona Health Care Cost Containment System medical care coverage to Arizona residents at or below 100% of the Federal Poverty Level. To date, approximately 3,000 persons with a serious mental illness have become eligible for Title XIX coverage under Proposition 204.

The Arizona State Hospital falls under the authority of the Arizona Department of Health Services/Division of Behavioral Health Services, and the Superintendent of the Arizona State Hospital has a direct reporting relationship with the Deputy Director of the Division of Behavioral Health Services. As a component of the Arizona Department of Health Services/Division of

Behavioral Health Services, the Hospital is a publicly funded facility, dedicated to the restoration and preservation of the mental health of those residents of Arizona who require a state-supported tertiary level of inpatient hospitalization and rehabilitative care.

The Arizona State Hospital has an average daily census of 306 residents, with an annual operating budget of $48,620,958. Included in the Hospital's fiscal year 2000-2001 $48,620,958 budget, $9,365,900 was appropriated for operation of the Arizona Community Protection and Treatment Center Program that employed 198 full time employees that served 135 residents as of June 30, 2001.

The following are highlights from the Arizona State Hospital:

- Arizona Medical Association Award: Dr. Jerry Dennis, the medical director for the Hospital, was selected to receive the first "Walk the Talk" Award presented by the Arizona Medical Association on June 8, 2001 following a CBS News 60 Minutes interview with Leslie Stahl. Jerry became a national celebrity when the program profiled his difficult struggle in a recent death penalty case involving a mentally incompetent inmate that he refused to restore to competency for execution based upon his personal and professional ethics.

- National Association for the Mentally Ill Arizona Award: This year, the National Association for the Mentally Ill Arizona also chose to honor Dr. Dennis with the "Exemplary Psychiatrist Award" for contributing to greater public understanding of brain disorders, working to eliminate stigma, fighting discriminatory policies and caring for people who suffer from mental illnesses. It is indeed an honor to have such a distinguished and recognized psychiatrist leading the dedicated staff of the Arizona State Hospital.

- The Arizona State Hospital has filled 80.6% of its 712 authorized positions as of June 30, 2001.

- In June 2000, the Hospital successfully regained federal Health Care Financing Authority certification. The Hospital maintained full accreditation by the Joint Commission on the Accreditation of Healthcare Organizations and fully met the conditions of the Arizona Department of Health Services licensure requirements. This entitles the Hospital and the State of Arizona to receive Medicare reimbursement and to receive Federal Disproportionate Share Funds for servicing eligible populations.

- In May 2001, a new day treatment program was implemented to address the needs of civilly committed adult patients who are diagnosed with a serious mental illness and suffer concurrent substance abuse problems, as well. The Mentally Ill/Chemically Addicted Program is presented in a group format on the hospital grounds. Each series of groups lasting 10 weeks (12 hours per week). An interdisciplinary approach is used and includes professional contributions from nursing, psychology, social services and rehabilitation staff.

DESCRIPTION OF THE DIVISION OF BEHAVIORAL HEALTH SERVICES DELIVERY SYSTEM

The Arizona Department of Health Services is the State agency responsible for public health education, prevention and treatment. The Arizona Department of Health Services is comprised of six major service areas, which report to the Director of the Department (see the Arizona Department of Health Services organizational chart - Figure 7). The Division of Behavioral Health Services is charged with the responsibility of overseeing publicly funded behavioral health services.

The Division of Behavioral Health Services was recreated within the Arizona Department of Health Services by Arizona Revised Statutes 36-3402 et. seq., effective August 13, 1986. The intent of the Arizona Legislature was to create a permanent authority for behavioral health and to express a commitment to the importance of behavioral health services in Arizona. The Division of Behavioral Health Services serves as the single state authority to provide coordination, planning, administration, regulation and monitoring of all facets of the state public behavioral health system. The Division of Behavioral Health Services has the responsibility of administering a system of behavioral health care, which is responsive, individualized, cost efficient, culturally sensitive and equally accessible.

Section 36-3410 of Arizona Revised Statutes authorizes the Arizona Department of Health Services/Division of Behavioral Health Services to contract with community-based organizations, known as regional behavioral health authorities, to administer behavioral health services in the State. The State is divided into six geographic regions, called Geographic Service Areas. Each Geographic Service Area is assigned to a regional behavioral health authority (see Figure 1 for a map of the geographic service areas).

Regional behavioral health authorities are responsible for assessing the service needs in their region and developing a plan to meet those needs. Collectively, the regional behavioral health authorities contract with a network of more than 350 service providers to deliver a full range of behavioral health care services, including prevention programs for adults and children, and a full continuum of services for adults with substance abuse and general mental health disorders, adults with serious mental illness, and children who are in need of behavioral health treatment.

Regional behavioral health authorities contract for or deliver Title XIX Medicaid services and Title XXI State Children's Health Insurance Program services through a capitated payment methodology based on total Title XIX and Title XXI eligibles. The regional behavioral health authorities are also responsible for managing all other non-Medicaid resources. The State Children's Health Insurance Program is titled "KidsCare." "KidsCare" provides health insurance to uninsured children under 19 years of age whose families gross income is at or below 200% of the federal poverty level.

In addition to the regional behavioral health authority system, the Division of Behavioral Health Services has developed several options for the delivery of behavioral health services to Native Americans, both on and off the reservation. Native Americans who live off the reservation may access services through the regional behavioral health authority system in the same manner as any other Arizona resident. For Native Americans who live on a reservation, the Tribe has the option of:

(a) Entering into an Intergovernmental Agreement with the Arizona Department of Health Services to deliver behavioral health services on the reservation, with the reservation acting as its own regional behavioral health authority;
(b) Contracting with the local regional behavioral health authority to provide services; or
(c) Allowing on-reservation Tribal members to obtain behavioral health services either through Indian Health Service, or going off reservation to receive services.

The Arizona Department of Health Services/Division of Behavioral Health Services Clients Served Statistics

During fiscal year 00/01 113,065 clients, statewide, received services. The pie charts (see Figures 2 through 5) show the percentage and number of clients that are served by each program across the State. There are clients who may have received services from more than one program.

The table (see Enrolled Clients-Fiscal Year 2001 – Figure 6) shows the number of clients served during fiscal year 00/01 under Children's Services and Seriously Mentally Ill/non-Seriously Mentally Ill Services Title XIX/XXI-non-Title XIX/XXI programs broken down by regional behavioral health authority and across the State. The subtotal columns in the By Regional Behavioral Health Authority table may contain duplicated figures due to clients changing programs during the reporting period, while the Statewide table represents unduplicated figures across the State.

ARIZONA DEPARTMENT OF HEALTH SERVICES
DIVISION OF BEHAVIORAL HEALTH SERVICES

GEOGRAPHIC SERVICE AREAS WITH
REGIONAL BEHAVIORAL HEALTH AUTHORITY (RBHA) AFFILIATION

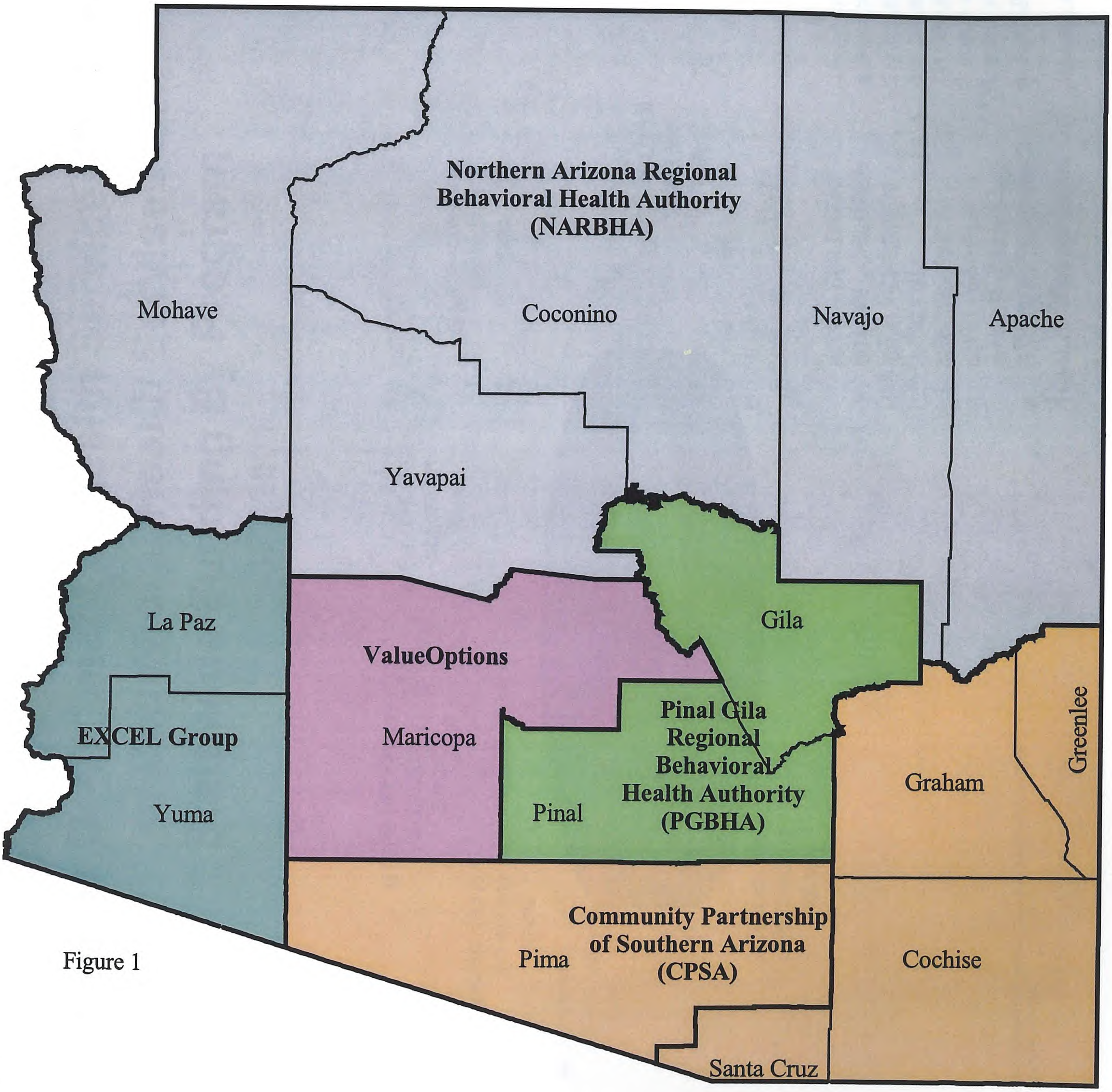
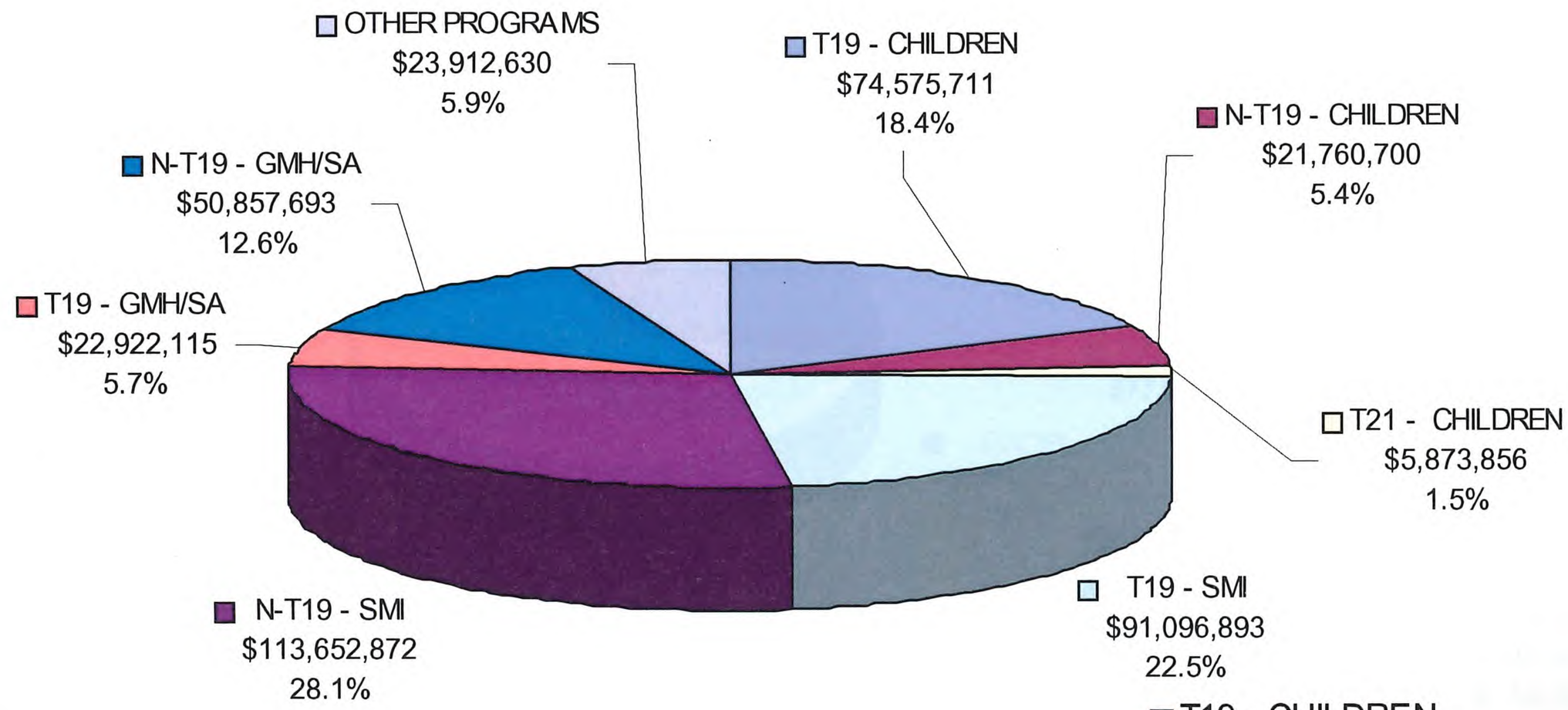


Figure 1

Arizona Department of Health Services/Division of Behavioral Health Services
Statewide Funding By Program
SFY 2001

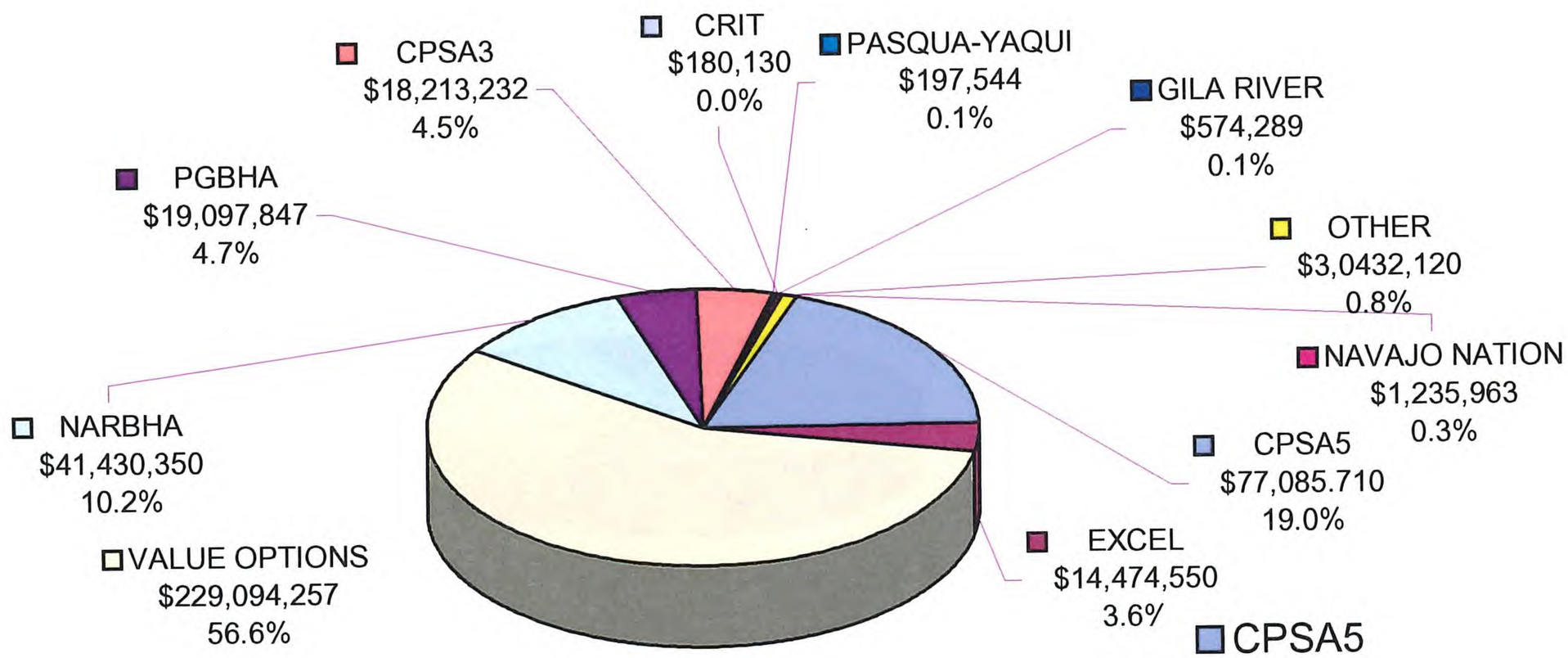


	$	%
T19 - CHILDREN	$ 74,575,711	18.4
N-T19 - CHILDREN	$ 21,760,700	5.4
T21 - CHILDREN	$ 5,873,856	1.5
T19 - SMI	$ 91,096,893	22.5
N-T19 - SMI	$113,652,872	28.1
T19 - GMH/SA	$ 22,922,115	5.7
N-T19 - GMH/SA	$ 50,857,693	12.6
OTHER PROGRAMS	$ 23,912,630	5.9
TOTAL STATEWIDE FUNDING	$404,652,469	

Other Programs includes Prevention, Tobacco Tax, Community Placement, RHBA Encounters and PASSAR.

Figure 3

Arizona Department of Health Services
Division of Behavioral Health Services
Statewide Funding by Regional Behavioral Health Authority
SFY 2001

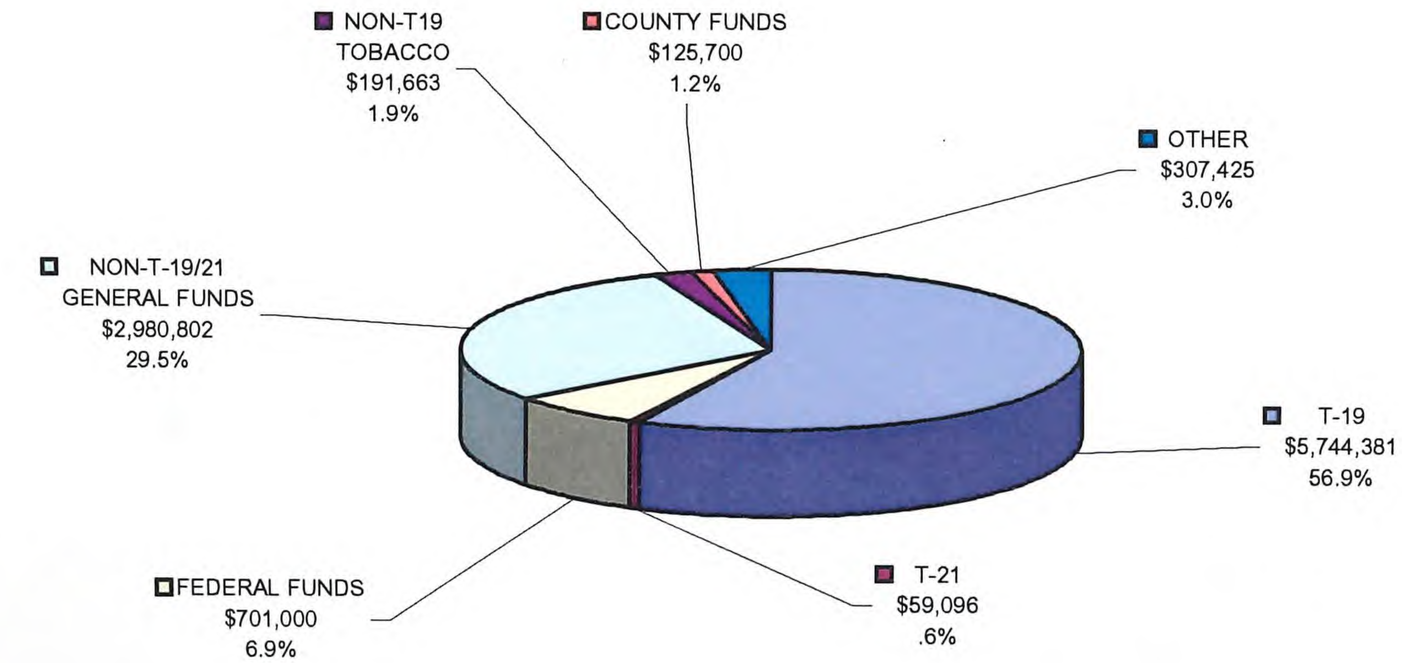


	$	%
CPSA5	$ 77,085,710	19.0
EXCEL	$ 14,474,550	3.6
VALUEOPTIONS	$229,094,257	56.6
NARBHA	$ 41,430,350	10.2
PGBHA	$ 19,097,847	4.7
CPSA3	$ 18,213,232	4.5
PASCUA-YAQUI	$ 224,021	0.1
CRIT	$ 180,130	0.0
GILA RIVER	$ 574,289	0.1
NAVAJO NATION	$ 1,235,963	0.3
OTHER	$ 3,042,120	0.8
TOTAL STATEWIDE RBHA FUNDING	$404,652,469	

Other includes DES, Empact, MIKID, etc.

Figure 4

Arizona Department of Health Services
Division of Behavioral Health Services
ADMINISTRATIVE FUNDING
SFY 2001

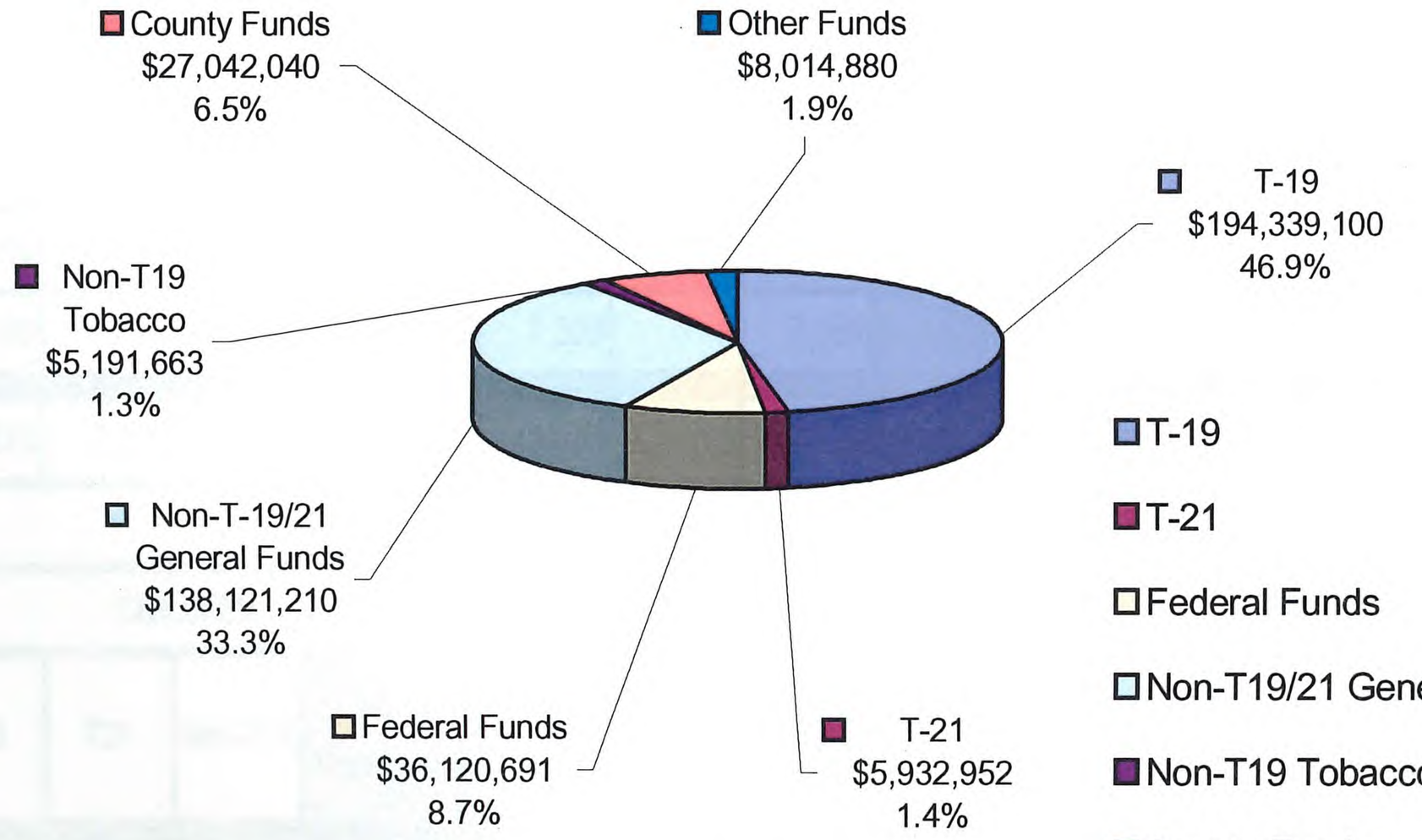


	$	%
T-19	$ 5,744,381	56.9
T-21	$ 59,096	.6
Federal Funds	$ 701,000	6.9
Non-T19/21 General Funds	$ 2,980,802	29.5
Non-T19 Tobacco	$ 191,663	1.9
County Funds	$ 125,700	1.2
Other	$ 307,425	3.0
Total ADHS/BHS Administrative Funding	$10,110,067	

Other includes ICMP, PASSAR, Corrections Offender, Gambling, Ctiy of Phoenix, Liquor Service Fees.

Figure 5

Arizona Department of Health Services
Division of Behavioral Health Services
TOTAL BEHAVIORAL HEALTH SERVICES FUNDING
(SERVICES AND ADMINISTRATION)
SFY 2001



	$	%
T-19	$194,339,100	46.9
T-21	$ 5,932,952	1.4
Federal Funds	$ 36,120,691	8.7
Non-T19/21 General Funds	$138,121,210	33.3
Non-T19 Tobacco	$ 5,191,663	1.3
County Funds	$ 27,042,040	6.5
Other	$ 8,014,880	1.9
Total	$414,762,536	

Other includes ICMP, PASSAR, Corrections Offender, Gambling, City of Phoenix, Liquor License Fees

Figure 6

ADHS/DBHS

Enrolled Clients - Fiscal Year 2001

BY RBHA

	CHILDREN				SMI				NON-SMI							Totals Column
	T19	T21	Non-T19	Children Subtotal	T19	T21	Non-T19	SMI[1] Subtotal	GMH T19	GMH T21	GMH Non-T19	SA T19	SA T21	SA Non-T19	Non-SMI[1] Subtotal	Duplicated RBHA Total
CPSA-3	1,068	120	415	**1,603**	480	2	412	**894**	640	3	310	405	0	1,364	**2,722**	**5,219**
CPSA-5	4,244	467	1,487	**6,198**	2,730	5	3,010	**5,745**	2,524	0	3,200	1,004	9	3,993	**10,730**	**22,673**
Excel	952	109	235	**1,296**	355	0	295	**650**	529	4	438	293	2	1,307	**2,573**	**4,519**
NARBHA	2,996	318	1,382	**4,696**	1,786	3	1,562	**3,351**	1,471	5	1,894	963	3	3,947	**8,283**	**16,330**
PGBHA	1,389	106	554	**2,049**	362	0	301	**663**	1,018	5	1,006	445	1	1,598	**4,073**	**6,785**
VO	12,929	1,111	3,400	**17,440**	7,323	3	7,155	**14,481**	6,215	17	6,886	3,322	3	12,430	**28,873**	**60,794**
Total	23,578	2,231	7,473	**33,282**	13,036	13	12,735	**25,784**	12,397	34	13,734	6,432	18	24,639	**57,254**	**116,320**

STATEWIDE

	CHILDREN				SMI				NON-SMI							Totals Column
	T19	T21	Non-T19	Children Subtotal	T19	T21	Non-T19	SMI[1] Subtotal	GMH T19	GMH T21	GMH Non-T19	SA T19	SA T21	SA Non-T19	Non-SMI[1] Subtotal	Unduplicated RBHA Total
Statewide[2]	23,216	2,186	7,309	**32,711**	12,140	8	11,895	**24,043**	12,081	32	13,413	6,262	16	24,507	**56,311**	**113,065**

[1]The SMI and Non-SMI subtotal columns may contain duplicated counts due to clients changing programs during the reporting period.

[2]The STATEWIDE statistics represent unduplicated counts at the statewide level, and may not equate to the summing of the RBHA statistics. Summing across RBHAs can cause duplicated counts due to clients transferring between RBHAs.

DIVISION OF BEHAVIORAL HEALTH SERVICES

VISION STATEMENT

Leadership for a Healthy Arizona

MISSION STATEMENT

Creating partnerships for personal and community health.

PRINCIPLES/VALUES

- Respect for and active collaboration with the child and family to achieve positive behavioral health outcomes.
- Behavioral health services for children designed and implemented to achieve success in school, live with their families, avoid delinquency, and become stable, productive adults.
- Children have access to a comprehensive array of behavioral health services, including case management and transportation, to ensure they receive the treatment they need.
- Behavioral health services are delivered in accordance with guidelines adopted by the Arizona Department of Health Services that incorporate evidence-based "best practice" to affect desired outcomes.
- Children are provided behavioral health services in the most integrated setting appropriate to the child's needs.
- Behavioral health service plans anticipate and appropriately plan for transitions in children's lives to minimize multiple placements.
- Behavioral health services are provided in a manner that respects the cultural tradition and heritage of the child and family.
- Behavioral health service plans identify parents and children's need for training and support to participate as partners in the assessment, planning, delivery, and evaluation of services.
- The behavioral health system identifies and appropriately utilizes natural supports available from the child and parents' friends, neighbors, community and religious organizations.

ORGANIZATIONAL STRUCTURE OF THE DIVISION OF BEHAVIORAL HEALTH SERVICES

The **Deputy Director** provides leadership and direction in accomplishing the mission of the Arizona Department of Health Services/Division of Behavioral Health Services. (See Organizational Chart - Figure 7) The core management team is composed of the Deputy Director, Medical Director, the Division Chiefs for Clinical Services, Quality and Compliance, the Chief Financial Officer, the manager of Grievance and Appeals, and an Executive Consultant and oversees the following functions:

The **Office of the Medical Director** provides clinical oversight in the provision of behavioral health services. Working closely with the Medical Directors of the regional behavioral health authorities, the Medical Director develops clinical practice guidelines that are used throughout the State. The Medical Director also coordinates with the Medical Director of the Arizona Health Care Cost Containment System and with Arizona Health Care Cost Containment System health plans for the joint management of clients' physical and behavioral health needs.

The **Division of Finance** provides oversight and coordination of the Division of Behavioral Health Services financial and operational functions to ensure efficient, effective, and accountable operations in accordance with federal and state laws and regulations and Department policies. The Functions of the Bureau include fiscal monitoring and budget, provider services, procurement and personnel services as well as receiving incident reports of financial fraud and abuse. The Bureau has provided leadership in the development of financial standards to assure a healthy balance of the fiscal viability of the system and the needs of the clients it serves.

The **Division for Quality and Compliance** houses the Bureau of Quality Management and Evaluation, the Bureau of Planning and Council Support and the Office for Rules. The overarching purpose of the Division of Quality and Compliance is to coordinate and/or conduct monitoring activities which reveal the operational, financial, and clinical performance of the behavioral health system and to synthesize monitoring findings with other administrative data to inform the Division's strategic plan, monitoring processes, indicators and tools, and contract content.

The **Bureau of Quality Management and Evaluation** includes the functions of Quality Improvement, Research and Evaluation, Business Information Systems, coordination and performance of monitoring activities including independently conducted case file review, Regional Behavioral Health Authority Operational and Financial Review, biennial member and provider satisfaction surveys, monthly/quarterly/annual performance and outcome measures, utilization review of prior authorized services for the tribal regional behavioral health authorities, management report production and dissemination, coordination of Division and regional behavioral health

authority corrective action plans, and Title XIX Certification for Community Service Agencies and Therapeutic Foster Care Homes.

The Arizona Department of Health Services/Division of Behavioral Health Services has established a structure for monitoring the regional behavioral health authority system. The monitoring program incorporates quality concepts and decision support systems to measure the programs and services delivered through The Arizona Department of Health Services/Division of Behavioral Health Services and the regional behavioral health authorities. Fundamental to the program are the Regional Behavioral Health Authority Monitoring Teams. Each team is composed of the Arizona Department of Health Services/Division of Behavioral Health Services staff that represents all of the functional areas within the Arizona Department of Health Services/Division of Behavioral Health Services.

The **Behavioral Health Applications Team of Information Technology Services** provides automation support to the Division of Behavioral Health Services to achieve its business goals. Their primary function is to develop and maintain the Client Information System application and database. This system tracks clients receiving behavioral health services in Arizona. The main functions of the system are:

- Client intake/registration
- Arizona Health Care Cost Containment System interface (reporting of Title XIX and Title XXI clients and services)
- Client service tracking
- Fund tracking and reporting
- Ad hoc reporting/the Division of Behavioral Health Services management reporting
- External agency reporting
- Regional behavioral health authority data download interface

As the Arizona Department of Health Services/Division of Behavioral Health Services moves further toward integration of data systems, additional opportunities for the continued enhancement of analysis and reporting capabilities will be identified, permitting a wide range of specialized monitoring research and projects by the Arizona Department of Health Services/Division of Behavioral Health Services.

In addition to the support of the Client Information System, the Information Technology Support team develops PC stand-alone applications to support business needs within various Division of Behavioral Health Services offices.

The **Bureau of Planning and Council Support** includes the functions of the Arizona Department of Health Services and the Division of Behavioral Health Services strategic planning, development/tracking/reporting of Master List performance measures, provider network capacity and development analysis, support for multiple community-based and stakeholder driven Coalitions, Councils and Committees, policy and procedure development and dissemination, coordination of the

Center for Mental Health Services Block Grant for children's and adults with serious mental illness federal funds and coordination of the Division's Annual Operational and Financial Review by the Arizona Health Care Cost Containment System, our Medicaid funding agency.

The Division's **Office for Rules,** in concert with the Arizona Department of Health Services Rules Bureau, reviews and revises current rules and writes new rules as needed according to established governmental protocol for rule making. The Office for Rules participates in the ongoing review/revision of the Behavioral Health Facility rules (R9-20), coordinates and writes revisions of the R9-21 Rules for persons with Serious Mental Illness and opens a docket for rules needed by the Division as directed by the Deputy Director. In process are rules for Title XIX Certification of Community Service Agencies and Therapeutic Foster Care Homes.

The **Division of Clinical Services** plans, organizes, develops and directs the statewide clinical operations for the Division of Behavioral Health Services including adult services, children's services, and substance abuse prevention and treatment services.

- The **Bureau for Adult Services** provides leadership, management and oversight of the statewide system of behavioral health services to persons with a serious mental illness and persons receiving services under the general mental health classification. In the fiscal year ending July 2001, approximately 23,000 persons receiving services in the Arizona behavioral health system were classified as persons with a serious mental illness and approximately 19,000 were classified as general mental health clients.

- The **Bureau for Children's Services** supports and monitors a statewide system for the delivery of comprehensive community-based behavioral health services for all of Arizona's children and adolescents. Services are provided either directly from one of the five regional behavioral health authorities and three tribal regional behavioral health authorities, or by contracted provider agencies.

- The **Bureau for Substance Abuse Treatment and Prevention Services** provides leadership, management and oversight of the statewide system of substance abuse treatment services and behavioral health prevention programs aimed at reducing substance abuse problems and building resilient, substance-free families and communities in Arizona. The Bureau fosters partnerships with affiliated agencies in criminal justice, mental health, child welfare, schools, and public and primary health care to ensure timely availability of evidence-based treatment and prevention models that foster the development of healthy individuals, families and communities.

In addition to administering the statewide delivery of primary treatment and prevention services, the Bureau develops service guidelines and program standards addressing the special needs of communities, high-risk populations, including women with young children, individuals with co-occurring mental health and substance disorders, offenders leaving prison settings and families involved in the child protective service system. The Bureau promotes development of evidence-based treatment and prevention services through training and system development initiatives, and

provides oversight and monitoring of treatment networks and prevention providers managed by regional behavioral health authorities. The Bureau also plays an important role in managing state appropriations and the federal Block Grant for Substance Abuse Prevention and Treatment.

The Arizona Department of Health Services/Division of Behavioral Health Services **Office of Grievance and Appeals** provides a grievance system available to consumers, contractors, subcontractors and non-contracted providers for the administrative resolution of disputes, in accordance with applicable federal regulations, state statutes, contractual requirements and administrative rules.

The Office of Grievance and Appeals is responsible for the implementation, maintenance and monitoring of the administrative grievance and appeals process to conform with applicable regulatory and contractual requirements. The Office ensures that the Arizona Department of Health Services/Division of Behavioral Health Services policies are updated to reflect the current process requirements, and monitors the regional behavioral health authority/tribal regional behavioral health authorities' policies for continued compliance. Monitoring also occurs through the review of cases forwarded for administrative review or appeal, compliance reviews of case samples and a review of the regional behavioral health authorities' overall performance conducted during yearly operational and financial reviews. The Arizona Department of Health Services/Division of Behavioral Health Services Office of Grievance and Appeals offers and provides technical assistance and training on the grievance and appeals processes and notice requirements to regional behavioral health authorities/tribal regional behavioral health authorities and their providers.

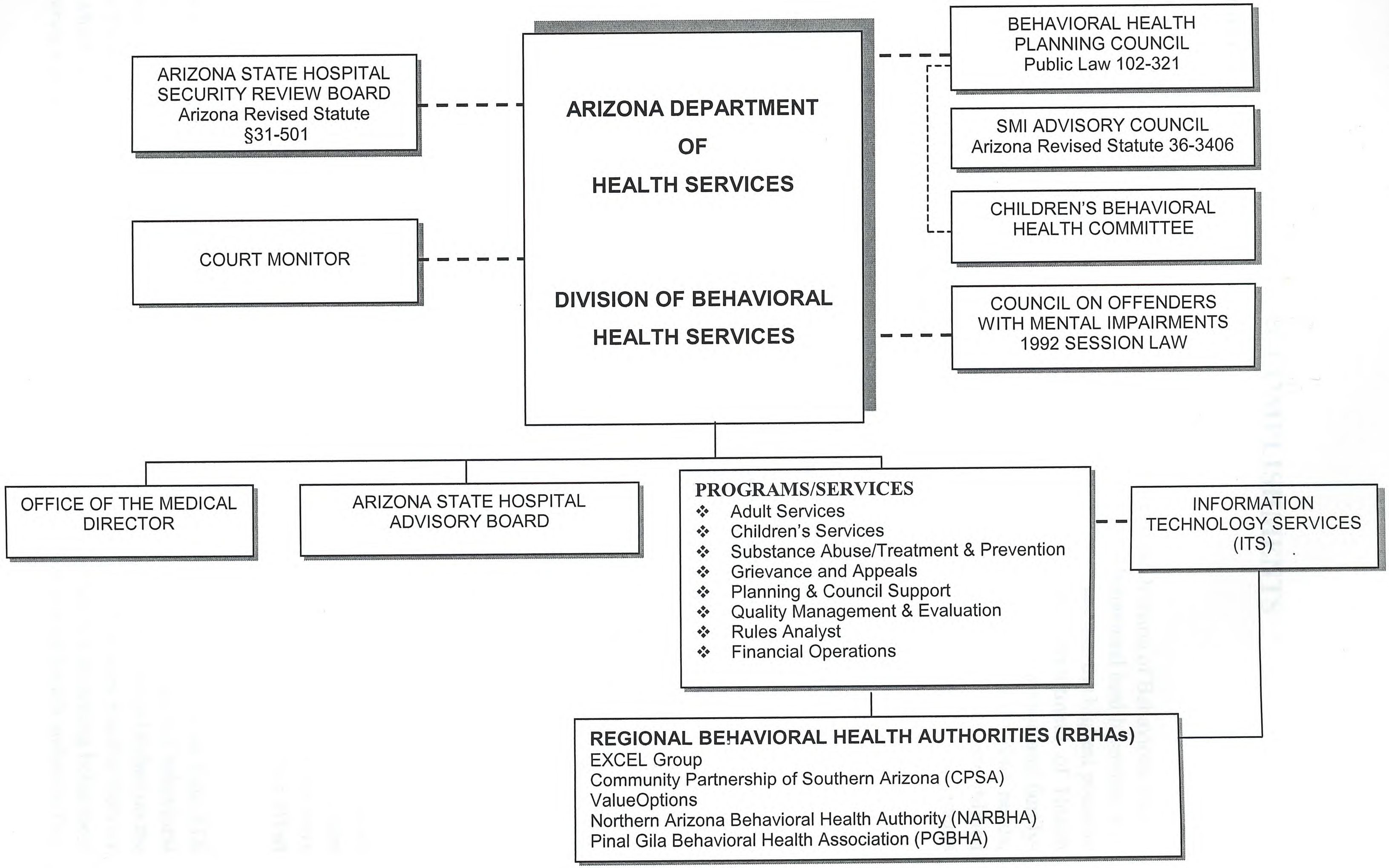
The Office of Grievance and Appeals conducts informal conferences for appeals that rise to the Division level from the regional behavioral health authority. Allegations of the physical abuse, sexual abuse or the death of a person with a serious mental illness are investigated by this office. In the event of findings of abuse or a violation of client rights, corrective action is identified and the Office tracks to make certain that the required action has been taken.

The Office of Grievance and Appeals collects statewide data on each grievance and appeal filed, and enters the information into the Grievance and Appeals Database. From that data, the Arizona Department of Health Services/Division of Behavioral Health Services office produces routine and ad hoc reports designed to identify trends occurring within the behavioral health system.

The **Arizona State Hospital** falls under the responsibility of the Arizona Department of Health Services/Division of Behavioral Health Services, and the Superintendent of the Arizona State Hospital has a direct reporting relationship with the Deputy Director of the Division of Behavioral Health Services. The Annual Report of the Arizona State Hospital is contained as a separate report in this document.

Figure 7

ORGANIZATIONAL STRUCTURE



DIVISION ACCOMPLISHMENTS

New Initiatives

Covered Services

During fiscal year 2001, the Arizona Department of Health Services/Division of Behavioral Health Services implemented an expanded comprehensive array of covered behavioral health services that assist, support and encourage each enrolled member to achieve and maintain the highest possible level of health and self-sufficiency. Toward this end, the Arizona Department of Health Services/Division of Behavioral Health Services aligned services to support a person and family-centered service delivery model, increased provider flexibility to better meet individual needs, included support and rehabilitative services provided by Title XIX Certified agencies, streamlined service procedure codes and provider types and increased service rates as well as capitation payments to the regional behavioral health authorities.

New support and rehabilitation services implemented in fiscal year 2001 include living skills training, health promotion, job coaching, supported employment assessment, pre-job training/education/development, out-of-office case management, personal assistance, family support, peer support, therapeutic foster care services, and out-of-home respite care. These same services plus targeted flex funds support a person and family-centered service delivery system.

Two new Title XIX Certified provider types were implemented to increase provider flexibility in the delivery of Title XIX compensable services: 1) Community Service Agencies and 2) Therapeutic Foster Care Home. The Community Service Agency solely provides support and rehabilitation services with the exception of case management. Behavioral health licensure is not required for the Community Service Agency because it does not provide treatment or medical services; however Title XIX Certification is required in order for the agency to receive Title XIX compensation for delivered services. Therapeutic Foster Care Services are available for children and adults. Homes providing services to children are licensed as professional foster care homes by the Department of Economic Security, while homes providing services to adults are licensed by the Assurance and Licensure Division of the Arizona Department of Health Services. The Division is the Title XIX Certifying body for both the Community Service Agency and the Therapeutic Foster Care Home provider types.

An important part of expanding and enhancing the array of covered behavioral health services involved the streamlining of the behavioral health service procedure codes. Fifty plus service codes were eliminated in order to reduce redundancy and simplify billing. A handful of new codes were created for new Title XIX compensable services and old codes were made obsolete. This effort supports a streamlined billing process.

A capitation rate review and a service procedure code rate review were conducted for all Title XIX and state-only financed services. A Title XIX capitation rate increase for the regional behavioral health authorities became effective July 1, 2001. Service code rate increases were published on the Arizona Department of Health Services/Division of Behavioral Health Services Fee-For Service matrix which serves as a guide to the regional behavioral health authorities in setting behavioral health service code rates and is the rate used by the tribal regional behavioral health authority Fee-

For-Service subcontracted providers. The service code rate increase was the first since 1992. Service code rate assumptions are well documented and will serve as a basis for future rate setting endeavors.

Statewide training was conducted to a total of 1600+ stakeholders including regional behavioral health authorities, tribal regional behavioral health authorities, subcontracted providers, family members, consumers of service, advocates, the Department of Economic Security - Child Protective Services as well as the Division for Developmental Disabilities, the Administrative Office of the Courts, juvenile probation, the Department of Education, local school district personnel, and the public at large. Training and technical assistance will continue in the next fiscal year to support the full implementation of the covered behavioral health services array.

An the Arizona Department of Health Services/Division of Behavioral Health Services Covered Behavioral Health Services Guide complete with reference material was created for use by the regional behavioral health authorities and tribal regional behavioral health authorities and their subcontracted providers when designing service packages and clinical programs and in billing for services. The Guide and associated reference materials can be downloaded from the Arizona Department of Health Services/Division of Behavioral Health Services web site www.hs.state.az.us/bhs.

The Arizona Department of Health Services/Division of Behavioral Health Services Covered Behavioral Health Services include:

Treatment Services
- Counseling
- Consultation, Assessment and Specialized Testing
- Other Professional Services

Rehabilitation Services
- Living Skills Training
- Cognitive Rehabilitation
- Health Promotion
- Supported Employment Services

Medical Services
- Medication Services
- Laboratory, Radiology, and Medical Imaging
- Medical Management
- Electro-convulsive Therapy

Support Services
- Case Management
- Personal Assistance
- Family Support
- Peer Support
- Therapeutic Foster Care Services
- Respite Care
- Housing Support
- Interpreter Services

Flex Fund Services
Transportation
Crisis Intervention Services
Mobile
Telephone
Urgent Care
Inpatient Services
Hospital
Subacute Facility
Residential Treatment Center
Residential Services
Level II Behavioral Health Residential Facility
Level III Behavioral Health Residential Facility
Room and Board
Behavioral Health Day Programs
Supervised Day Program
Therapeutic Day Program
Medical Day Program
Prevention Services

Proposition 204

The passage of Proposition 204 in November of 2000 and approval from the Center for Medicaid and Medicare Services (CMS) in January 2001 authorizes the state of Arizona to utilize tobacco settlement funds and federal Medicaid funds to provide the Arizona Health Care Cost Containment System medical care coverage to Arizona residents at or below 100% of the Federal Poverty Level.

The Arizona Department of Health Services/Division of Behavioral Health Services has committed to converting current Non-Title XIX/XXI behavioral health consumers to Title XIX/XXI and to assist Non-Title XIX/XXI persons who request behavioral health services in acquiring Title XIX/XXI eligibility. The following accomplishments have been achieved in meeting this objective:

- All departments within the Division of Behavioral Health have received an orientation regarding Proposition 204 and regular updates are provided to the management team.
- A Regional Behavioral Health Authority Proposition 204 Workgroup was established and has met two times a month since March 2001. The Workgroup consists of representatives from the Arizona Health Care Cost Containment System, the Arizona Department of Health Services and the regional behavioral health authorities. The Workgroup has acted as a steering committee for the policy development for implementing Proposition 204 in the behavioral health system.
- Contracts with the regional behavioral health authorities have been amended to reflect the programmatic changes.
- The Arizona Department of Health Services has collaborated with the Arizona Health Care Cost Containment System and Department of Economic Security in developing a streamlined

process for submitting Arizona Health Care Cost Containment System applications for behavioral health consumers.
- Statewide trainings were held in May, June, September and October to train regional behavioral health authority designees in assisting consumers in applying for Arizona Health Care Cost Containment System eligibility.

Outreach to persons with a serious mental illness began in May 2001. To date, approximately 3,000 persons with a serious mental illness have been converted to Title XIX. Outreach to persons with a general mental health and/or substance abuse problem began in September.

Jason K. Settlement Agreement

On June 26, 2001 the Federal District Court in Tucson, Arizona approved a settlement agreement between the Arizona Department of Health Services, the Arizona Health Care Cost Containment System and the Plaintiff's Attorneys in the class action lawsuit known as Jason K. This settlement agreement ended ten years of litigation focused on the delivery of behavioral health services to Title XIX eligible recipients. As a requirement of the settlement agreement, the Arizona Department of Health Services and the Arizona Health Care Cost Containment System will compose an Annual Action Plan by November 1, 2001. The Plan will describe the major strategies and activities the Arizona Department of Health Services will employ each upcoming year to meet the obligations of the agreement, in addition to the progress during the previous year.

A significant component of the agreement includes the identification of twelve key principles, which will be adopted, incorporated and carried out throughout the behavioral health system in policy and service delivery. These principles are:

- Collaboration with the Child and Family
- Achievement of Functional Outcomes for Children
    - Success in School
    - Stable Lives with Families
    - Avoiding Delinquency
    - Preparing to Become Stable and Productive Adults
- Collaboration with Other Agencies and Multi-Systems
- Access to a Comprehensive Array of Services
- Delivery of Services in Accordance to Best Practices
- Services Provided in Home/Community Settings to the Extent Possible
- Timeliness of Services
- Services Tailored to Child/Family
- Stability is Essential: Minimize Multiple Placements
- Respect for Cultural Heritage
- Services Should Support and Train to Enhance Independence
- Utilize Natural Supports Available to the Child and Family

In addition to the principles, the Arizona Health Care Cost Containment System and the Arizona Department of Health Services are obligated to carry out the following activities:

- Develop and Implement a Statewide Training Program
- Add Respite to the Array of Covered Services
- Create the Ability to Contract with Master's Level Specialty Providers
- Expand the Title XIX Services
- Designate $600,000 in Flex Funding
- Develop Practice Guidelines for Monitoring Medication
- Initiate the 300 Kids Project
- Change the Quality Management and Improvement System
- Involve Plaintiff's Counsel and Other Stakeholders
- Develop a Plan for the Expansion of Substance Abuse Services

Priorities for this first year include developing the statewide training program focusing on collaboration, assessment and service planning to ensure delivery of services consistent with the principles. Other priorities include fully implementing the 300 Kids Project and plans for replication throughout the state. In addition, the expansion of substance abuse services for children and developing practice guidelines for monitoring medications will also be a priority of the plan.

House Bill 2003

- Adults

  House Bill 2003 provides $50 million of new monies from the tobacco litigation settlement to be spent on persons with serious mental illness, in particular those with Diagnostic & Statistical Manual IV diagnosis of 295 (schizophrenia), 296 (major depressive disorder), 297 (delusional disorder), and 298 (other psychotic disorder). The funds shall be expended on any of the following service areas: housing, recovery support services, vocational rehabilitation, and specialized assessment (extended evaluation). Each regional behavioral health authority proposal has distinct intervention strategies in implementing House Bill 2003. The Bill also authorizes the Arizona Department of Health Services to release $300,000 (from the $50M) to the Office of the Auditor General for the purpose of conducting a performance audit.

- Children

  The common thread that binds various efforts to implement changes in the children's behavioral health system is the intention of strengthening the collaborative relationship among children, their families, and child-serving state agencies. The Legislature recently appropriated $20 million under House Bill 2003 for children's behavioral health services. The bill mandated the use of these non-Title XIX monies to provide behavioral health services to children and families receiving services through the Arizona Department of Health Services, the Department of Economic Security, the Arizona Department of Juvenile Corrections, and the Administrative Office of the Courts. The bill also mandated that the Arizona Department of Health Services transfer $150,000 of this funding to the Office of the Auditor to conduct a performance audit on or before January 1, 2003.

Each regional behavioral health authority submitted its own distinct spending plan targeting:
(1) Provision of behavioral health services to non-Title XIX children and non-Title XIX family members

(2) Behavioral health services to children referred by the Administrative Office of the Courts, the Arizona Department of Juvenile Corrections, and the Department of Economic Security
(3) Telemedicine capacity expansion to provide services to underserved areas

The regional behavioral health authority plans were reviewed to ensure consistency with the overall guiding principles for working with children and families, as well as the targeted population groups. All regional behavioral health authorities have initiated efforts to begin programming under the HB2003 funding, including implementing multi-agency teams, providing screening, assessments and/or outpatient services for the Department of Economic Security, the Administrative Office of the Courts and the Arizona Department of Juvenile Corrections involved children and construction of a team challenge course.

Arizona Substance Abuse Treatment Fund (Senate Bill 1280)

Arizona Families in Recovery Succeed Together (F.I.R.S.T.) is an innovative collaboration between Arizona communities, the Arizona Department of Economic Security, the Arizona Department of Health Services, faith-based organizations and regional behavioral health authorities. The program provides a continuum of community-based family centered services to parents whose substance abuse has been identified as a significant barrier to maintaining or reunifying the family, or to employment stability. Eligible participants include those parents who are reported to Child Protective Services and Temporary Assistance for Needy Families cash recipients. In addition to core substance abuse treatment and recovery services, other essential support services are provided to assist the entire family in its recovery, including job assistance, domestic violence services and housing support. During the 2000 General Session, Senate Bill 1280 appropriated $10 million annually from the Temporary Assistance for Needy Families Block Grant for Joint Substance Abuse Fund. Nine contractors statewide began service delivery on March 1, 2001. Currently there are 615 participants receiving substance abuse treatment services through this program.

Suicide Prevention (Senate Bill 1125)

The Division has initiated implementation of Senate Bill 1125, which establishes a suicide prevention program within the Division of Behavioral Health Services. In implementing the legislation, the Division of Behavioral Health Services has the responsibility for overall development and coordination of suicide prevention, awareness activities and programs within the Arizona Department of Health Services, other state and local agencies and the community. The program is directed through the legislation to develop and implement a statewide plan for reducing the number of attempted suicides and overall suicide mortality and to develop recommendations for improving statewide suicide surveillance.

Services to Persons in Need of Behavioral Health Treatment

Bureau for Adult Services

The Bureau for Adult Services is primarily responsible for the oversight and monitoring of the provision of behavioral health services by the regional behavioral health authorities to persons with a serious mental illness and persons receiving services under the general mental health classification. In the fiscal year ending July 2001, approximately 23,000 persons receiving services in the Arizona behavioral health system were classified as persons with a serious mental illness, and approximately

19,000 were classified as general mental health clients. Services are provided either directly by one of the five regional behavioral health authorities, three tribal regional behavioral health authorities, or by contracted provider agencies.

Bureau staff participate in the Operational/Financial Reviews and Data Validation Studies for the regional behavioral health authorities and tribal regional behavioral health authorities. Bureau staff also serve as liaisons to other state and community agencies by providing technical assistance and training in such areas as individual service planning, case management, provider management, and agency administration. In addition, bureau staff assist in resolving issues and complaints from consumers, family members, regional behavioral health authority staff and community stakeholders. Bureau staff directly responded to over 270 telephone calls, letters and legislative requests to facilitate the resolution of client and citizen inquiries about the behavioral health system.

The Bureau continues to have primary responsibility for the implementation of the court-ordered agreements in the Arnold vs. the Arizona Department of Health Services lawsuit, commonly known as the Exit Stipulation and the Supplemental Agreement. Data is collected to monitor progress and the impact of the recent changes to Seriously Mentally Ill Determination. Efforts continue to expand service provision with the additional funds received from the Legislature and through the Covered Services, House Bill 2003 and Proposition 204 initiatives. Bureau staff conducted over 236 comprehensive medical record and client information system data validation studies at the regional behavioral health authorities for the House Bill 2003 legislative appropriations.

The Bureau also plays an active role in obtaining, participating in and/or managing federal grants related to services for persons with behavioral health needs. The development and expansion of vocational services also continues to be a high priority. The Division has participated in an intergovernmental agreement with the Arizona Department of Economic Security/Division of Rehabilitation Services Administration in which state behavioral health funds are used to draw federal vocational rehabilitation funds to provide services for individuals with a serious mental illness. In addition, staff collaborate with other state agencies to expand the provision of vocational, housing and other services to persons with serious mental illnesses by participating in multiple councils, boards, and advisory groups such as the Arizona Council On Offenders With Mental Illnesses, Interagency Service Agreement Advisory Board (with the Department of Economic Security/Rehabilitative Service Administration), Behavioral Health Planning Council, Arizona Behavioral Health and the Aging Coalition and Arizona Coalition to End Homelessness.

2000-2001 Key Accomplishments

The Bureau successfully made the transition from formerly just serving persons with a serious mental illness to include those classified as general mental health clients. Upon establishment as the Bureau for Adult Services, the Bureau assumed responsibility for management and oversight of adult general mental health services. Briefing and orientation meetings were conducted with each regional behavioral health authority on the scope of programs and services provided in general mental health.

Development of the Olmstead Plan

The Division of Behavioral Health, Arizona Health Care Cost Containment System, and the Division of Economic Security/Department of Developmental Disabilities collaborated with community stakeholders in the development of the statewide plan. The Olmstead decision requires that the state provide appropriate community-based services to meet the needs of the disabled person in the least restrictive environment. The Bureau staff are responsible for ensuring that the activities in the plan are completed. Bureau staff applied for and received a grant to assist in the implementation of the Olmstead Plan and have contracted with a consultant to assist in developing discharge placements for persons with special needs who have been difficult to serve in community-based settings. In addition, Bureau staff continue to serve as liaisons to the Arizona State Hospital and regional behavioral health authorities/tribal regional behavioral health authorities in resolving issues that relate to admission or discharge of consumers.

The Pathways in Transition From Homelessness Project

The Bureau staff continue to coordinate the services and activities provided through this federal grant from the Center for Mental Health. Outreach services are provided to persons with serious mental illness who are homeless, including those with co-occurring substance problems, in the three geographic regions with the largest numbers of homeless individuals. During fiscal year 2000/2001, the Pathways in Transition From Homelessness Project grant funded a comprehensive array of outreach and supportive services to more than 6,200 homeless persons across the state to identify homeless persons with serious mental illnesses. In addition, Bureau staff sponsored two trainings for approximately 200 individuals on homeless outreach and homeless persons with co-occurring disorders in Tucson and Phoenix, including staff from behavioral health service providers, homeless shelters and criminal justice agencies.

The Arizona Integrated Treatment Consensus Panel

The Arizona Department of Health Services/Division of Behavioral Health Services was successful in obtaining grant resources to convene and support community forums of mental health and substance abuse providers to directly discuss and confront the philosophical and service system barriers that preclude developing a community integrated treatment system for persons with co-occurring disorders. The project was implemented in October 1998 and its first phase concluded in December 1999. An additional implementation grant was awarded in January of 2001 to provide continued support and training to develop a community integrated treatment system. The project includes models for provider/network subcontracting to improve service delivery and standard of care guidelines addressing such areas of use of psychotropic medications (including methadone), goals of substance abuse treatment for psychiatric clients, use of supportive case management, and the role of relapse prevention and recovery supports in psychiatric populations. Bureau staff assisted in the development of comprehensive guidelines for engaging and serving persons with co-occurring disorders of serious mental illness and substance abuse. Selected staff also participated in the statewide training on Motivational Interview that was made available via video conferencing from January to May 2001. Bureau staff is actively involved in directly facilitating the statewide Consumer Advisory Board and Local Advisory Panels on Co-Occurring Disorders. The Consensus Panel project was awarded the Arizona Governor's Award for Excellence, the highest commendation in Arizona state government, in December 2000.

The Arizona Criminal Justice Diversion Project

The purpose of the Arizona Criminal Justice Diversion Intervention Project is to conduct a systematic and comparative assessment of the relative efficacy of a three-tiered post booking criminal justice diversion model for persons with serious mental illness and co-occurring substance abuse disorders in the metropolitan communities of Phoenix and Tucson. The three-tiered post-booking conditions examined in this study are release from jail with conditions, deferred prosecution, and summary probation. In each of these two communities, the jail diversion programs has implemented by the regional behavioral health authority in cooperation with local law enforcement and judicial agencies. Specifically, this project has been designed to address the core research questions of when diversion works, for whom, and under what circumstances. The Arizona site began baseline data collection in September of 1998. As of July 31, 2001, the Arizona site has completed data collection and had initiated data analysis. It is anticipated that the final project evaluation report will be completed by January 2002.

The Arizona Housing Outcomes Evaluation

The goal of this project was to evaluate three distinct approaches to housing persons with a serious mental illness. The approaches include supported housing, supportive communities, and supervised apartments. This project is part of an eleven-site national study in which participating organizations will collaborate on program design and share data with the coordinating site. A single coordinating site (Vanderbilt University) was selected to facilitate project goals. The evaluation will examine the impact of the three housing programs on approximately 500-600 newly placed individuals with a serious mental illness. The final follow-up interviews (3-month, 6-month, 12-month, 18-month, and exit) are currently in the process of being completed.

The Arizona Department Of Health Services/Division Of Behavioral Health Services Consumer Advisory Board For Persons With a Serious Mental Illness

The statewide Consumer Advisory Board provides recommendations and input to the Division of Behavioral Health Services. With support from bureau staff the Consumer Advisory Board coordinates a Statewide Consumer's Conference annually. This year approximately 175 consumers participated in the conference. Bureau staff also continue to facilitate the attendance and participation of consumers at other regional and national consumer conferences. During the fiscal year ending June 30, 2001, Bureau staff assisted more than 20 consumers in attending conferences. In addition, travel and stipend support for consumers is provided to assist participation on various boards and councils, including the Statewide Advisory Panel on Integrated Treatment, Regional Behavioral Health Authority consumer advisory panels, Behavioral Health Planning Council and Recovery Training workshops.

During the past year, the Bureau for Adult Services supported multiple trainings for consumers, family members and provider staff, including Recovery Methods and Strategies forums, the Seeds of Success Conference and the Partners in Employment Conferences (Phoenix, Tucson, Flagstaff) with the Department of Economic Security/Rehabilitative Services Administration and the regional behavioral health authorities. Bureau staff, in coordination with other Arizona Department of Health Services and the Division of Behavioral Health Services entities, intensified technical assistance

provided to tribal regional behavioral health authorities. Training provided to the tribal regional behavioral health authorities included case file reviews, Arizona Level of Functioning Assessments, and grievance and appeals. In addition, the bureau sponsors the Mental Health Association and Arizona Alliance for the Mentally Ill to provide information, family support services and training to consumers and family members.

Bureau for Children's Services

The Bureau for Children's Services supports and monitors a statewide system for the delivery of comprehensive community-based behavioral health services for all of Arizona's children and adolescents. Services are provided either directly from one of the five regional behavioral health authorities, three tribal regional behavioral health authorities, or by contracted provider agencies.

Bureau for Children's Services staff serve as liaisons to other state and community agencies, providing technical assistance and training. Bureau staff participate in the Operational/Financial Reviews for the regional behavioral health authorities and tribal regional behavioral health authorities, and assist in resolving issues and complaints from family members, community stakeholders, regional behavioral health authority staff and service providers.

In 1988, Arizona enacted landmark legislation mandating the development and delivery of a comprehensive continuum of coordinated behavioral health care for children. Previously these services had been provided by different agencies according to individual mandates addressing specific populations of children. A.R.S. 36-3431, et.seq. requires interdepartmental collaboration for a single system to address the behavioral health needs of all Arizona children. The Arizona Department of Health Services was designated the lead agency for the development of this system.

In fiscal year 2001 the Bureau for Children's Services was involved in the implementation of several major activities and initiatives to coordinate services to children and families in partnership with other state agencies that serve children, e.g., the Department of Economic Security, the Arizona Health Care Cost Containment System, the Administrative Office of the Courts, the Arizona Department of Education and the Arizona Department of Juvenile Corrections. These activities and initiatives include the following:

Single Purchase of Care (SPOC)

Single Purchase Of Care implementation is now in its seventh year. In fiscal year 2000, Single Purchase Of Care participating agencies received permission from Department of Administration to change the Single Purchase Of Care process from joint contracting to joint pre-qualification of contractors. The Single Purchase Of Care state agencies, through the existing state and local team process, participated in the determination of qualified providers for all licensed behavioral health services. This process includes all licensed Office of Behavioral Health Licensure agencies and behavioral health disciplines that are licensed through state boards. As the process is open and continuous, new vendors for needed services are acquired quickly. Single Purchase Of Care participating agencies purchase behavioral health services from this pre-qualified list, issuing and managing their own Single Purchase Of Care contracts.

Before executing a contract for services, the agencies jointly negotiate, to the extent practicable, to obtain a contract advantageous to the State.

The Single Purchase Of Care State Team, consisting of one representative from each of the participating state agencies, coordinates the statewide contracting process including local needs' assessment and monitoring, through Local Teams.

Activities in Single Purchase Of Care included:

- Completion and distribution of an annual Single Purchase Of Care Qualified Vendor List that includes information such as services offered, rates and agency demographics;
- Development of tools and processes for statewide monitoring.

As of July 1, 2001, more than 300 Single Purchase Of Care providers were qualified to provide services throughout the state. There have been reports of increased communication, more shared interests, deeper understanding of different agencies and programs and improved networking as a result of the Single Purchase Of Care Program.

Promotion and Delivery of Behavioral Health Services to Young Children 0-3 Program

The Early Childhood Behavioral Health Task Force was developed to define a system which provides access to comprehensive infant mental health services that is provided by trained and qualified practitioners in community based settings. The task force participants represent the Arizona Department of Health Services/Division of Behavioral Health, the Arizona Department of Economic Security/Division of Developmental Disabilities, Arizona Early Intervention Program, Arizona Department of Education, Headstart, parent and provider representatives. The task force has developed objectives and action steps to further the delivery of behavioral health services to children from birth to three years of age. The goal is to increase awareness and understanding of appropriate behavioral health treatment services and related supportive services for this population.

The objectives include:

- Address coordination and collaboration issues on subjects that include referral and access to services through development of policies and procedures by each agency
- Increase collaboration among agencies serving infants, toddlers, and preschoolers needing behavioral health services through the exchange of information of written policies and procedures for all participating service delivery agencies
- Increase community understanding and support of Arizona Early Intervention Program that include standardized materials and message that is provided statewide
- Develop a training module to suggest credentialing, privileging and training criteria for agencies and practitioners serving children birth to three years of age

- Identify and target providers who are currently serving children birth to three years of age, for specific training, support, and technical assistance statewide
- An increase in providers participating in birth to three training sessions
- Increase participation of primary referral sources in the early identification and referral processes

Interagency Case Management Projects

Interagency Case Management Projects are fully implemented in Maricopa and Mohave Counties. The purpose of Interagency Case Management Projects is to centralize, coordinate, and manage the utilization of publicly administered services, and funds for state agencies serving children. The projects are designed to reduce the duplication of case management services for children and families currently served by multiple agencies. While the Maricopa and Mohave Interagency Case Management Projects differ in structure, they have the same key goals:

- Serve children with multiple needs which may not otherwise be met through existing collaborative efforts
- Demonstrate that a cooperative, collaborative effort can be achieved between state agencies
- Develop an effective, efficient coordinated service delivery system
- Ensure families and children receive appropriate and timely assessment and services
- Improve the cost effectiveness of the service delivery system
- Recommend ways to streamline administrative processes across agencies

As of July 1, 2001, the Maricopa County Interagency Case Management Project provided multi-agency case management services to 263 children, and the Mohave County Interagency Case Management Project has provided Multi-Agency Team services to 186 multi-agency children.

The purpose of the Maricopa County Interagency Case Management Program evaluation was to assess the achievement of project goals, objectives, and outcomes. The program evaluation consisted of three interrelated studies, a process, impact and cost study. Some of the findings include:

- The Interagency Case Management Program delivers more continuity in case management services than the traditional system.
- The Interagency Case Management Program evaluation has shown that case management that provides a single point-of contact and establishes cooperative working relationships among multiple state agencies is the preferred choice of children and their caretakers.
- The Interagency Case Management Program produces equivalent to better outcomes compared to traditional child-serving system.

- Interagency Case Management Program has demonstrated cost savings to parents and to the state.
- Interagency collaboration benefits the personnel of the participating agencies.
- There were no differences between the Interagency Case Management Program and the traditional service system in the type of contracted services provided or on the cost of those services.
- Some Interagency Case Management Program case managers and committee members report that timely access to needed services remains a primary obstacle that the Interagency Case Management Program does not address.
- The current objectives are not, for the most part, outcome-oriented.

The Interagency Case Management Program administration and committees have been reviewing the evaluation report and recommendations with a focus on moving from the initial successes to address the reported concerns and opportunities for improvement.

Staff from the Bureau for Children's Services also participate in a number of additional efforts to improve the system, including:

300 Kids Project

One of the primary elements of the Jason K. Settlement Agreement was the establishment of the 300 Kids Project as a focused effort to engage in system improvement activities. Two sites have been established, one in Maricopa County (200 Kids Project) and one in northern Arizona (100 Kids Project located in Flagstaff, the Verde Valley and in southern Navajo County). These sites will test strategies for providing behavioral health services in accordance with the 12 Arizona principles and to serve as the first phase of the eventual statewide effort to deliver services according to these principles.

Project management infrastructure has been established in the sites. Both locations have established Steering Committees, inclusive of family members, representatives from public education, juvenile justice/corrections, child welfare, developmental disabilities and behavioral health systems. In Maricopa County, the sponsoring regional behavioral health authority, ValueOptions, hired a project director and four liaison positions as the core team to carry out the project activities. In northern Arizona, the Northern Arizona regional behavioral health authority children's services director and the mental health specialist for the state child welfare agency were designated to co-chair the effort. Further infrastructure development has tied existing multi-agency teams together in the northern Arizona project, and refinements in clinical and financial data reporting systems are underway.

Flexible funds totaling $60 thousand have been allocated by the Arizona Department of Health Services for participating children, and early efforts to provide a "wraparound"

approach have been attempted with success even prior to the expansion of the array of available Title XIX covered services beginning October 3, 2001. Training and rationale have been provided to staff at all levels in the project sites for the provision of flexibility and authority at the child and family team level for commitment of behavioral health resources for necessary home and community based services. As of September 10, 2001, at least 50 children and families involved with multiple agencies have begun to receive support and services based on the child and family team "wraparound" approaches.

Multi-Agency Team for Children (Project MATCH)

In August of 1999 the Arizona Department of Health Services/Division of Behavioral Health Services was awarded a $7.3 million federal grant from the U.S. Substance Abuse and Mental Health Services Administration to develop and implement a model system of care for seriously emotionally disturbed (SED) children. Under this six-year grant a single system of care has been created in Pima County to integrate services that had previously been provided by multiple agencies. This integration allows services to be delivered by a family-centered approach.

Project MATCH is led by the Division of Behavioral Health Services Children's Bureau and the regional behavioral health authority: Community Partnership of Southern Arizona. The Department of Economic Security/Child Protective Services, the Department of Economic Security/Division of Developmental Disabilities, the Administrative Office of the Courts, the Arizona Department of Juvenile Corrections, the Arizona Department of Education, and Community Partnership of Southern Arizona's providers and families are all essential participating community stakeholders.

Project Multi-Agency Team for Children has implemented a Care Coordination Team that will serve approximately 105 children and their families. The team consists of cross-trained staff from the key stakeholders that coordinate services to seriously emotionally disturbed children and families who are involved with two or more state agencies.

Project goals include:

Family-centered treatment planning.
Provision of wraparound services.
Expansion of the existing service delivery system.
Enhanced involvement of family in all aspects of the project.
Increased knowledge and availability of culturally competent services.
An evaluation component provided by the University of Arizona.
Development of a family mentor program to support families.

Specialty Providers

The Auditor General's review (February 2000), the Governor's Office Task Force findings (June 2000), and studies done by a consultant found that provider services tailored to fit children's special treatment needs surrounding physical and sexual abuse, sex offenses, eating disorders, post-traumatic stress disorders and bonding and attachment disorders are especially difficult to obtain. Initially, only licensed behavioral health professionals (i.e. psychologists, psychiatrists) could contract directly with the regional behavioral health authorities or their networks to independently provide behavioral health services to Title XIX members. All other behavioral health providers were required to provide services through licensed agencies. In response to recommendations, as well as a workgroup of the Arizona Health Care Cost Containment System, the Arizona Department of Health Services and the Department of Economic Services, the Arizona Health Care Containment System Administration changed the Medicaid State Plan. Regional behavioral health authorities may now contract for certain, specially qualified Master's level professionals without having to be employed by or contracted with licensed behavioral health agencies.

The workgroup with representatives from the regional behavioral health authorities, met to develop privileging and credentialing criteria for the specialty providers. Recruitment and tracking processes were developed to incorporate the six categories of specialty providers into the behavioral health system. The Department of Economic Security and the Administrative Office of the Courts identified independent therapists currently providing services through their respective contracts. Contact was initiated with each individual/organization on the list and the regional behavioral health authorities held forums for the providers to distribute information on the process for attaining credentialing, privileging and contracting to provide independent Master's level services with the regional behavioral health authority.

To date, 52 providers have initiated the privileging/credentialing process, and as of October 1, 2001 two providers have secured executed contracts with the regional behavioral health authorities.

Adult in Charge Work Group

The Adult in Charge Work Group was created to respond to one of the recommendations from the Governor's Task Force in September 2000. Although the Task Force initially focused on the behavioral health needs of children in the child welfare system, the more general notion that behavioral health services should support the broader life goals of children receiving them should be applied no matter in which systems the child may be involved. Behavioral health services should support the ability of children to live with their families in typical communities, to succeed in school, to avoid delinquency and to prepare for lives as productive adults, rather than being delivered in a narrow medical context. The work group, with representatives from the different public agencies that care for children in Arizona, are developing

proposals to help ensure that behavioral health services support and advance the broader life goals of children and their families.

Model Court

This court improvement project is a national movement that expedites juvenile dependency cases so that the amount of time children have traditionally spent in the State's foster care system is reduced, and a permanent plan that provides security, stability, and nurturing is quickly established. The Model Court has been implemented statewide. In each of Arizona's fifteen counties the County Juvenile Court and representatives from the Department of Economic Security/Child Protective Services, the Administrative Office of the Courts, Legal Defender's Office, Office of Court Appointed Council, Public Defender's Office and the Attorney General's Office collaborate in monitoring the referral process and the coordination of appropriate behavioral health services for those children involved in Model Court cases and receiving Title XIX-funded services.

Detained Juveniles

This is a collaboration with Administrative Office of the Courts and the Maricopa County Juvenile Probation Department in the development of an evaluation, coordination and referral process for juveniles that are placed into detention at the Durango Court Center and the Southeast Juvenile Court Center. This joint effort is to ensure that detained juveniles in need of behavioral health services can easily access the behavioral health service delivery system. The project members continue to meet monthly for system monitoring and improvement issues.

Arizona Department of Juvenile Corrections Referrals

This statewide effort focuses on collaboration with the Arizona Department of Juvenile Corrections on the development of a process for expediting referrals into behavioral health services for youth being discharged from correctional institutions and reintegrated into their communities. This joint activity assists youth being released from institutions to obtain access to behavioral health services immediately upon discharge. This collaborative project is expanding throughout the state and involves all the Arizona Department of Juvenile Corrections correctional institutions.

Juvenile Justice Coordination Committee

As a result of the findings of a legislatively commissioned evaluation of the juvenile justice system in Arizona, the State Legislature established the Juvenile Justice Coordinating Committee (Senate Bill 1070/1999 Session). The purpose of the committee is to supervise and assist in the implementation of the recommendation from the report, and to adopt policies for the better coordination and dissemination of juvenile justice information among city, county and state agencies that deal with juvenile offenders.

Bureau for Substance Abuse Treatment and Prevention Services

The mission of the Bureau for Substance Abuse Treatment and Prevention Services is to provide leadership, management and oversight of the statewide system of treatment services and behavioral health prevention programs aimed at reducing substance abuse problems and building resilient, substance-free families and communities in Arizona. The Bureau fosters partnerships with affiliated agencies in criminal justice, mental health, child welfare, schools, and public and primary health care to ensure timely availability of evidence-based treatment and prevention models that impede the healthy functioning and development of individuals, families and communities.

In addition to administering the statewide delivery of primary treatment and prevention services, the Bureau develops service guidelines and program standards addressing the special needs of communities, high-risk populations, including women with young children, individuals with co-occurring mental health and substance disorders, offenders leaving prison settings and families involved in the child protective service system. The Bureau promotes development of evidence-based substance abuse and prevention services through training and system development initiatives, and provides oversight and monitoring of treatment networks and prevention providers managed by regional behavioral health authorities. The Bureau also plays an important role in managing state appropriations and the federal Block Grant for Substance Abuse Prevention and Treatment Services to the community.

2000-2001 Key Accomplishments:

Women's System Improvement Initiative

During state fiscal year 2000, the Bureau collaborated with the Bureau of Quality Management and Evaluation to conduct the Annual Independent Quality Evaluation, a study of the quality of care in programs treating women with addiction disorders who are pregnant or who have young children. Findings of the Independent Quality Evaluation were used to identify system improvement needs in each regional behavioral health authority network, including more rapid access to services for women, development of gender-sensitive interventions and programs, improved coordination with medical care providers for pregnant women and providing more comprehensive therapeutic services to young children while their mothers participate in treatment. In May 2001, each regional behavioral health authority submitted a Performance Improvement Plan specifying actions to address weaknesses identified in their region. The Bureau monitors the regional behavioral health authority plans to ensure compliance and to identify ongoing needs for technical assistance and training. The Bureau worked closely with the principal investigator of the Independent Quality Evaluation to develop practice guidelines for services to women with addiction disorders. Published by the Division of Behavioral Health Services Office of the Medical Director in June 2001, the guidelines represent an evidence-based approach to women's treatment and combine findings of numerous research studies and consensus recommendations for the care of addicted women with children. A supplement to the guidelines - the Core Components of Women's Addiction Treatment - is a model for programmatic monitoring and case file review to assess the degree of gender-specificity in a treatment program.

Arizona Integrated Treatment Consensus Panel

The Bureau continued its two-year partnership with the Division of Behavioral Health Services Bureau for Adult Services on improving treatment services for individuals with co-occurring mental health and substance abuse disorders. The Arizona Integrated Treatment Consensus Panel completed its Phase I grant in December 1999 and was awarded a Phase II Implementation Grant in January 2001. Products of the Consensus Panel include: (1) A five-year implementation plan for improving the quality of care for individuals with mental health/mental illness and substance disorders; (2) Service Planning Guidelines for Individuals with Co-Occurring Disorders (including pharmacological practice guidelines); (3) Revision of the Determination Policy for Serious Mental Illness to incorporate inclusion criteria for substance-induced psychotic disorders and to reduce exclusion of Seriously Mentally Ill individuals due to concurrent substance use. Phase II grant funds are targeted to development of training curriculum to support co-occurring competency in all aspects of behavioral health treatment. In December 2000, the Consensus Panel project was awarded the Arizona Governor's Award for Excellence, the highest commendation in Arizona state government for innovation and community involvement.

Arizona Substance Abuse Consortia

The Bureau continued its involvement on the Executive Advisory Board of the Arizona Substance Abuse Consortia, a coalition of treatment providers, consumers, universities and state agencies committed to promoting evidence-based practice in substance abuse delivery systems. During 2000-2001, the Consortia funded mini-research projects at four substance abuse treatment agencies, provided a five-month training session on motivational interviewing attended by 450 clinicians around the state and sponsored the second annual Bridging the Gap Substance Abuse Summer School in August 2001. Bridging the Gap featured presentations on substance abuse and disability, the community reinforcement approach, and family-centered addictions treatment, and more than 25 mini-workshops on a variety of evidence-based practices. Over 250 addictions professionals attended the summer school held in Pinetop, Arizona.

Implementation of Core Prevention Training

A key accomplishment of the Bureau is the development and implementation of standardized core training for all community-based programs receiving the Division of Behavioral Health Services prevention funding, and providing statewide leadership in the advancement of a common theoretical and research-grounded model for both the Division of Behavioral Health Services/regional behavioral health authority prevention system and for use among other states.

State Incentive Grant

The federally funded State Incentive Grant has resulted in a cooperative agreement among the Governor's Division of Drug Policy, the Arizona Department of Health Services/Division of Behavioral Health Services/Office of Prevention and the Center for Substance Abuse Prevention. As part of the Secretary of Health and Human Service's Initiative on Youth Substance Abuse Prevention, the primary focus of the State Incentive Grant is to prevent marijuana use among youth ages 12 - 17 with additional focus on preventing illicit drug use, methamphetamines and underage alcohol use.

Prevention Needs Assessment

The Bureau finalized the first round of social indicator data collection and developed a web-based application for dissemination of findings under the State Prevention Needs Assessment. The needs assessment employs a family of studies to identify geographic areas and populations at risk for behavioral health issues and to determine the level of need for behavioral health prevention services in relation to the service availability within the state. The family of studies focuses on three areas: 1) Middle and high school student risk and protective factor survey; 2) Statewide assessment of research-based archival and social indicator data; and 3) Assessment of current prevention resources in the state.

Treatment Outcomes and Performance Measures (TOPPS II)

The Bureau finalized three data studies funded through the Treatment Outcomes and Performance Measures project, a federally funded grant to identify and test outcome and performance measures for substance abuse treatment. The heart of the project is a consensus panel approach that brings together representatives of treatment agencies, regional behavioral health authorities, consumers, recovering community members and other state agencies with a stake in the community treatment system to reach consensus on measures of the outcomes of care. The Arizona Consensus Panel is mirrored at the national level by a state-federal Steering Committee composed of the Center for Substance Abuse Treatment and the 19 states funded to conduct the Treatment Outcomes and Performance Measures project. The national Steering Committee will achieve consensus on a small set of core measures that all states will collect and report to the national Treatment Outcomes and Performance Measures project database. In Arizona, the Treatment Outcomes and Performance Measures project is a set of three interrelated data studies, including use of the Division of Behavioral Health Services client information system to generate performance measures, matching data files across other state agency databases and a post-discharge follow-up interview of 500 substance abuse treatment clients. The final report of the Arizona Treatment Outcomes and Performance Measures project will include recommendations to the Division of Behavioral Health Services on producing performance and outcome measures for substance abuse treatment.

Family Recovery Partnership of Maricopa County

The Family Recovery Partnership is a pilot collaborative effort between addiction treatment and the child welfare system to provide rapid and comprehensive substance abuse intervention and recovery support services for families with children involved in Child Protective Services. Bureau staff continued participation in the development of the Partnership, including participation in special workgroups addressing development of a culturally competent, family-focused addictions assessments and confidentiality, and information sharing between Child Protective Services and substance abuse treatment providers. As of July 2001, 100 families (comprised of 425 members) were receiving family-centered addictions treatment through two provider agencies in Maricopa County. The Partnership is also the subject of an evaluation study to identify best practices in this model of family addictions treatment. Three key findings for practitioners are relevant thus far: (1) Family practice models require an extensive level of case management; (2) Availability of flex funding allows practitioners to fulfill non-traditional needs associated with the treatment plan; and (3) Staff burn-out in family practice models is very high.

Reducing Youth Access to Tobacco

A requirement of the Substance Abuse Prevention and Treatment Block Grant is the Synar Amendment that focuses on reducing youth access to cigarettes and other tobacco products. The statute requires Arizona to enact laws making it illegal for youth younger than 18 to purchase tobacco products, and requires the Arizona Department of Health Services to conduct annual random inspections to determine merchant compliance with state law. For 2000-2001, the Arizona Department of Health Services met the requirement of Synar through Arizona demonstrating a buy rate of 19.4%; down from 58% in 1996, the first year the inspection was conducted.

Office Of The Medical Director

The Office of the Medical Director works closely with the Regional Behavioral Health Authority Medical Directors, Arizona State Hospital Chief Medical Officer and the clinical program bureaus to improve quality of care throughout the state.

Over the past year, this office has published three new service planning guidelines (Co-occurring Psychiatric and Substance Disorders, Pharmacological Treatment of Co-occurring Psychiatric and Substance Disorders, and Substance Use Disorders in Pregnant and Parenting Women).

The Office is currently recruiting for an Associate Medical Director for Child and Adolescent Services. This new position will be responsible for reviewing current policies, procedures, contracts and guidelines to assure that they are consistent with a broader focus on services for children and their families. The position will also assist with service development and monitoring of the quality of care for children and families.

Over the next two years, the Office of the Medical Director will continue implementation of service planning guidelines through consumer and family involvement, and through the development of more focused monitoring tools.

Office of Grievance and Appeals

The Arizona Department of Health Services/Division of Behavioral Health Services Office of Grievance and Appeals provides a grievance system available to consumers, contractors, subcontractors and non-contracted providers for the administrative resolution of disputes, in accordance with applicable federal regulations, state statutes, contractual requirements and administrative rules.

Key Responsibilities

The Arizona Department of Health Services/Division of Behavioral Health Services Office of Grievance and Appeals is responsible for the implementation, maintenance and monitoring of the administrative grievance and appeals process to conform with applicable regulatory and contractual requirements. The Office ensures that The Arizona Department of Health Services/Division of Behavioral Health Services policies are updated to reflect the current process requirements, and monitors the regional behavioral health authority/tribal regional behavioral health authority policies for continued compliance. Monitoring also occurs through the review of cases forwarded for administrative review or appeal, compliance reviews of case samples and a review of the regional

behavioral health authorities' overall performance conducted during yearly operational and financial reviews.

The Arizona Department of Health Services/Division of Behavioral Health Services Office of Grievance and Appeals offers and provides technical assistance and training on the grievance and appeals processes and notice requirements to regional behavioral health authorities/tribal regional behavioral health authorities and their providers. During fiscal year 2001, the Office of Grievance and Appeals began a training initiative to increase competencies and compliance with the legal notice requirements. Training modules were developed for the notice requirements and the grievance and appeal processes, and the delivery of the training to all regional behavioral health authorities/tribal regional behavioral health authorities began in May of 2001.

The Arizona Department of Health Services/Division of Behavioral Health Services Office of Grievance and Appeals is responsible for conducting informal conferences for appeals from the tribal regional behavioral health authorities, and those that rise to the Division level from the regional behavioral health authority. Allegations of physical abuse, sexual abuse or the death of a person with a serious mental illness are under the purview of, and investigated by, this Office. In the event of findings of abuse or a violation of client rights, corrective action is identified and the Office tracks to make certain that the required action has been taken. Corrective actions the Arizona Department of Health Services/Division of Behavioral Health Services identified and required during fiscal year 2001 included: requirements of staff training; staff disciplinary action; policy development, revision, and/or enforcement; clinical review for best practice; process improvements; and the referral of issues relating to competency or unprofessional conduct to appropriate professional licensing agencies.

During fiscal year 2001, there were a total of 1,419 docketed cases of appeals, grievances and requests for investigation initiated statewide. Of the 1,419 cases, there were:

- 1,158 Appeals
  - 618 regarding denials of Seriously Mentally Ill eligibility
  - 29 requests for an Arizona Health Care Cost Containment System Expedited Hearing
  - 332 regarding other treatment decisions
  - 179 provider appeals
- 229 Grievances
  - 171 initiated at the regional behavioral health authority
  - 58 initiated at the Arizona Department of Health Services/Division of Behavioral Health Services
- 32 Request for Investigations
  - 6 initiated at the regional behavioral health authority
  - 26 initiated at the Arizona Department of Health Services/Division of Behavioral Health Services

The Arizona Department of Health Services/Division of Behavioral Health Services Office of Grievance and Appeals collects statewide data on each grievance and appeal filed, and enters the

information into the Grievance and Appeals Database. From that data, the Arizona Department of Health Services/Division of Behavioral Health Services Office produces routine and ad hoc reports designed to identify trends occurring within the behavioral health system.

Services for American Indians on Reservations

Arizona Tribes have the option of entering into an Intergovernmental Agreement (IGA) with the Arizona Department of Health Services to deliver covered behavioral health services to enrolled Tribal members. Services to all other Native Americans are provided by the local regional behavioral health authority.

The Arizona Department of Health Services currently has three Intergovernmental Agreements with the following Tribes authorized to act as a regional behavioral health authorities: Gila River Indian Community, Navajo Nation, and Pascua Yaqui. There is an Intergovernmental Agreement between the Colorado River Indian Tribes and the Arizona Department of Health Services for the delivery of Non-Title XIX services.

Native Americans have the choice of accessing covered behavioral health services through the regional behavioral health authority or the tribal regional behavioral health authority.

Quality Management and Evaluation

The Bureau of Quality Management and Evaluation led Division-wide efforts to implement the Arizona Department of Health Services/Division of Behavioral Health Services Quality Management/Utilization Management Plan. The Quality Management/Utilization Management plan defines a comprehensive, continuous quality assessment and improvement process for behavioral health services in Arizona. The purpose of the Quality Management/Utilization Management Plan is to ensure procedures are in place to evaluate the delivery of behavioral health services and to make recommendations for the measurement and improvement of client care as well as the administrative and fiscal management of the regional behavioral health authorities.

Quality Improvement

The Arizona Department of Health Services/Division of Behavioral Health Services quality assessment and improvement process employs multiple data collection and analysis mechanisms.

The Quality Improvement Unit's accomplishments include:

- Initiation of two (2) Performance Improvement Teams to assess quality of service provisions and improve performance. The regional behavioral health authority Chief Executive Officer, regional behavioral health authority Quality Management Coordinator, or the Arizona Department of Health Services Division and Bureau Chiefs nominated team members.
- Revision of the Case File Review criteria and guidelines. Development of a Microsoft ACCESS Case File Review program for use by the regional behavioral health authorities and tribal regional behavioral health authorities. The Case File Review program incorporates the core set of case file review standards, and customized to incorporate standards specific for each regional behavioral health authority and tribal regional health authority.

- Development of a standardized Annual Case File Report for the regional behavioral health authorities to summarize and analyze their respective data.
- Standardization of the Quarterly Quality Management Report resulting in a reduction of performance measures and streamlining of the report.
- As a result of the feedback through the Quarterly Quality Management Report process, several improvements/actions have occurred, including: increase of members receiving services within 30 days of referral; several regional behavioral health authorities have improved their respective data submission of member enrollment and assessment information; increased focus on the use of seclusion and restraints with Seriously Mentally Ill clients in Maricopa County; and outcome data showing the results of the behavioral health services rendered to members.
- Presentation of the Quality Management Work Plan to the tribal regional behavioral health authority.
- Submission of a Quality Management Work Plan from each tribal regional behavioral health authority to The Arizona Department of Health Services/Division of Behavioral Health Services.
- Tracking of tribal regional behavioral health authority Title XIX inpatient utilization review data.
- Training of tribal regional behavioral health authority staff to conduct an internal Case File Review of member records.

Monitoring the Service Delivery System

One of the key foci for Quality Improvement is to further strengthen and build capacity to oversee and regulate the state's service delivery system as delivered by and through the regional behavioral health authorities and tribal regional behavioral health authorities. Information gained through multiple oversight and regulatory processes serves to inform The Arizona Department of Health Services/Division of Behavioral Health Services management and promote data based decision-making. The Arizona Department of Health Services/Division of Behavioral Health Services employs the following mechanisms to collect and analyze data for decision support purposes.

Operational and Financial Review

This Division-wide, annual process monitors and evaluates the regional behavioral health authorities' performance against contractual, policy and procedural requirements. The following areas are reviewed during the Operational and Financial Review Process: general management, network management, staff, grievance and appeals, utilization management, quality management, clinical management prevention (access to services, emergency services, case management, service planning and monitoring, clinical supervision and training, confidentiality, and special populations such as IV drug users, pregnant/parenting substance abusing women, and HIV infected clients), claims and encounters, financial management, and information management.

Case File Review

The Arizona Department of Health Services/Division of Behavioral Health Services conducts an annual case file review to assess the overall quality of behavioral health services to Title XIX and Title XXI members. This process is conducted by reviewing a statewide sample of member files across populations (Seriously Mentally Ill, General Mental Health, Substance Abuse, Child Seriously Emotionally Disturbed and Child Non-Seriously Emotionally Disturbed). A case file review tool and guide were developed in collaboration with personnel from the regional behavioral health authorities, the Arizona Health Care Cost Containment System and the Arizona Department of Health Services/Division of Behavioral Health Services. The tool contains 42 standards that are grouped into the following subcategories:

1. Treatment recommendations are appropriate to presenting problem/diagnosis and meet accepted professional standards of care (23 standards, Standards 1a – 15);

2. Treatment is timely (1 standard, Standard 16);

3. Services delivered produce symptomatic and/or functional improvement or if there is not substantial progress, the diagnosis and/or treatment services are re-evaluated and modified as appropriate (8 standards, Standards 17 – 24);

4. Coordination of medical and behavioral health care occurs for members with medical and behavioral health problems (3 standards, Standards 25 – 27);

5. Coordination of behavioral health care occurs for members with other agency involvement (2 standards, Standards 28 – 29).

Once the reviews have been completed, the data is aggregated and analyzed. Through the analysis process, statewide and regional behavioral health authority-specific areas of strengths along with areas in need of improvement are identified. Regional behavioral health authorities are required to develop plans of correction to address these issues in order to improve member care. The Arizona Department of Health Services/Division of Behavioral Health Services provides oversight of the improvement process and provides technical assistance as needed.

Community Service Agency and Therapeutic Foster Care Homes, Title XIX, Certification

The Community Service Agency and Therapeutic Foster Care Homes Title XIX Certification Unit was created as a result of the Covered Services Project and is housed within the Bureau of Quality Management and Evaluation. This new unit supports the division by receiving and processing Community Service Agency and Therapeutic Foster Care Home Title XIX Certification Applications, investigating complaints, and providing technical assistance to providers, tribal regional behavioral health authorities and regional behavioral health authorities and other state agencies regarding Community Service Agency and Therapeutic Foster Care Home certification issues.

Problem Resolution Referrals
This process is tracked through the Problem Resolution Reporting System, which was developed in-house at the Arizona Department of Health Services/Division of Behavioral Health Services. When referrals are made to the Arizona Department of Health Services/Division of Behavioral Health Services involving a problem that needs to be resolved, the involved clinical bureau or the Quality Management and Evaluation Bureau records the contact in the Problem Resolution Reporting System and tracks it to completion.

Utilization Management
The Arizona Department of Health Services/Division of Behavioral Health Services trends several utilization indicators including enrolled patient days, user member months and enrolled patient days/1000 for four levels of care (inpatient acute, Arizona State Hospital, residential treatment, psychiatric health facility). In addition, readmission rates within 30 days of discharge, average length of stay, and number of admissions and discharges are tracked. The data is trended quarterly. The utilization indicators are analyzed statistically to assess variation between regional behavioral health authorities and trends over time.

Utilization review of the tribal regional behavioral health authorities continues through the Arizona Department of Health Services/Division of Behavioral Health Services Utilization Review Nurse. Tribal regional behavioral health authority case managers submit a "Prior Authorization Request Form" signed by the case manager, "Certification of Need" signed by the certification team physician, and a "treatment plan" signed by the psychiatrist and case manager to the Arizona Department of Health Services/Division of Behavioral Health Services. The utilization review nurse reviews the information, authorizes the services or makes other recommendations to the Arizona Department of Health Services/Division of Behavioral Health Services Medical Director. Once this process is complete, information is electronically submitted to the Arizona Health Care Cost Containment System. Once received, the Arizona Health Care Cost Containment System matches the service authorization to the claims received in order to adjudicate the claim.

Grievance and Appeals
The Arizona Department of Health Services/Division of Behavioral Health Services has long had a mechanism to track the volume and type of grievance or appeal. Aggregate data in these areas will be compared to the problem resolution referral data to detect trends in type of issue, as well as regional differences in filing rates, issues, disposition of the grievance or appeal, and effectiveness of corrective actions and improvement efforts.

Seclusion and Restraint Reporting
As required by Arizona Revised Statute R9-21-204, data is collected and trended for the population of adults living with a serious mental illness. Each inpatient and psychiatric health facility which provides services to the population reports seclusion, restraint, and seclusion & restraint occurrences to the regional behavioral health authority with which it is subcontracted. The regional behavioral health authority then summarizes the occurrences and forwards a summary sheet as well as a copy of each incident report to the Arizona Department of Health Services/Division of Behavioral Health Services. The Arizona Department of Health

Services/Division of Behavioral Health Services enters the data and trends it for review by the Bureau for Adult Services.

Mortality Reporting

As required by rule, data is collected and trended for the population of adults with serious mental illness. The rate of mortalities per thousand is computed for each quarter and annually by geographical service region and statewide. In addition, the cause of death and the rural vs. urban average mortality rate is computed. The data is reviewed by the Bureau for Adult Services at least quarterly.

Fraud and Abuse

This data is collected by the Finance Bureau and trended by regional behavioral health authority and statewide for consideration by management. All incidents of Medicaid fraud and abuse are forwarded to the Arizona Health Care Cost Containment System for review and possible investigation.

Financial Viability Measures

The Arizona Department of Health Services/Division of Behavioral Health Services measures the liquidity ratios, performance ratios and Title XIX ratios for each regional behavioral health authority in order to determine the ability of the regional behavioral health authorities to cover their short-term liabilities, to manage their resources and to maintain expenditures at prescribed levels.

Business Information Systems Unit

Business Information Systems produces both routine and ad hoc reports, conducts data quality reviews and takes action to increase data integrity.

The Business Information Systems Unit's accomplishments include:

- Web-enabled both the Covered Services Guide and Prevention Social Indicator Data.
- Automation of data used in the Quarterly Quality Management Report.
- Development of a monthly Management Report for the Arizona Department of Health Services/Division of Behavioral Health Services to be implemented in January 2002.

Research, Evaluation and Dissemination

The Research, Evaluation and Dissemination unit led the statewide effort in the implementation of the Y2001 statewide consumer perception survey. Technical assistance on data analysis and report writing was provided to the regional behavioral health authority staff during the first half of the state fiscal year. Three sets of surveys, which were developed by the Mental Health Statistics Improvement Program of the Substance Abuse and Mental Health Services Administration, were administered this year: adult survey, children survey and family survey. Implementation of the survey was conducted in April 2001 and culminated with individual regional behavioral health authority survey report and a statewide report. Corollary to this effort, the Research unit developed an Arizona Department of Health Services/Division of Behavioral Health Services policy on the implementation of the regional behavioral health authority member satisfaction surveys.

This year's Independent Quality Evaluation was focused on evaluating the quality of care provided to persons with schizophrenia and other psychiatric disorders, with or without co-occurring substance use. The Independent Quality Evaluation contract was awarded to the Health Services Advisory Group. A total of 1,680 case records were abstracted using a tool that was developed primarily for this study. Dr. Kenneth Minkoff provided the expert advice in the development of the tool and analysis of findings.

Simplification of the Medical Care Evaluation process was recommended this year. Changes in the Medical Care Evaluation process were reflected in a draft revision of the Arizona Department of Health Services/Division of Behavioral Health Services policy on Medical Care Evaluations. The recommended process, which clarified the Medical Care Evaluation cycle and requirements, regional behavioral health authority deliverables, and due dates was discussed with the regional behavioral health authority Quality Management Coordinators. The new process takes effect in Year 2002.

The Research unit provided technical assistance to the Arizona Department of Health Services/Division of Behavioral Health Services and regional behavioral health authority clinical staff in developing the evaluation design for House Bill 2003 and reviewing the Evaluation Plan for Senate Bill 1280 (for details on these projects, see the New Initiatives section of this Annual Report). Likewise, the evaluation of the Interagency Case Management Project for Maricopa County was completed this year. A final public presentation was held in May 2001.

Research assistance was provided to Brandeis University's Heller School for the completion of a federally funded research study on the impact of managed care in delivering mental health and substance abuse services. The study was completed in June 2001. The Research staff continued to participate in research-related activities within the Division, particularly in federally funded research studies for substance abuse treatment and prevention, the Division's Network Analysis Team, and in support of best practices literature searches.

The Research unit completed the implementation of the fiscal year 2001 Satisfaction Incentive Program for the Pinal Gila Behavioral Health Association. Three cycles were completed: January, July and October 2001 for each of the three types of surveys: client satisfaction, provider satisfaction, and stakeholder satisfaction. An annual award competition was also introduced this year. Providers who met the eligibility criteria were invited to apply for the award.

The Substance Abuse and Mental Health Services Administration-funded State Reform Grant ended August 2000. A final report, which documents the accomplishments of the grant implementation in building the state capacity to implement performance measures and involvement of the stakeholders in grant implementation, was submitted to the Mental Health Statistics Improvement Project in November 2000.

Implementation of the Mental Health Statistics Improvement Project Sixteen State Indicator Pilot Grant continued during the year. In- depth Mental Health Statistics Improvement Project subgroup discussion of a number of the Mental Health Statistics Improvement Project indicators was completed and preliminary implementation of the indicators was started by the 16 State grantees. The indicators include: penetration, mortality, children's perception survey, adult perception survey, state hospital readmission rate, contact within seven days following hospital discharge, and inpatient indicators such as seclusion, restraint, medication errors, elopement, consumer injuries. In April 2001, the Division conducted a focus group among consumers of mental health and substance abuse services to discuss their experience and thoughts about recovery. This is in line with the development of the Mental Health Statistics Improvement Project indicator for recovery/personhood/hope.

During the year, the Research unit spearheaded a Division effort to write a proposal for a new Mental Health Statistics Improvement Project grant, the State Data Infrastructure Grant. This grant transitions the implementation of the Mental Health Statistics Improvement Project indicators as a reporting requirement of the Community Mental Health Services Block Grant starting Year 2002. Technical support is also provided by the grant to aid grantee states in the development of local capacity to collect, manage and administer data that are essential in the conduct of performance measurement. This grant, if awarded, is expected to commence in October 2001 for a period of three years.

Bureau of Planning and Council Support

The Bureau of Planning and Council Support is responsible for:

- Strategic planning;
- The Arizona Department of Health Services/Division of Behavioral Health Services policy and procedure development;
- Supporting various councils/coalitions and committees that provide ongoing assistance to The Arizona Department of Health Services/Division of Behavioral Health Services; and
- Tobacco Tax Evaluation.

Strategic Planning

The Bureau of Planning and Council Support has responsibility for establishing strategic vision and direction for publicly funded behavioral health services in Arizona. The Division of Behavioral Health Services planning process occurs at all levels of the system and ensures the involvement of all stakeholders in the process. The budget request process for the Division is an integral component of planning, as required by the State's Budget Reform Act. The planning process includes the production of a three-year plan, with annual reviews and reports of progress.

Policy and Procedure Development

The Bureau of Planning and Council Support manages the policy development, review and training process for the Division of Behavioral Health Services. A Policy Review Committee meets on a

regular basis to renew, revise and create policies. Through an external review process both providers, regional behavioral health authorities, planning councils and other state agencies and advocates comment on policy revision. This external process provides valuable information about the effect of policy changes, and is a mechanism for changes and suggestion from stakeholders.

Councils, Committees and Coalition Involvement

The Arizona Department of Health Services/Division of Behavioral Health Services has a valuable resource in the various advisory bodies, which provide guidance in the planning, implementation and provision of behavioral health services. The Division of Behavioral Health Services provides staff support to each of the councils/coalitions or committees.

Arizona Behavioral Health Planning Council

The Arizona Mental Health Planning Council was created in 1988 in response to Public Law 99-660. Members were appointed by the Governor to serve a term until September 30, 1990, when P.L. 99-660 expired. No action was taken by the Governor to reappoint or otherwise reconstitute the Council. Recognizing the need for a Planning Council, the Division Director appointed a new Behavioral Health Planning Council, expanding the membership and the role to encompass planning not only for adults with a serious mental illness and seriously emotionally disturbed children, but also for substance abuse representation.

Appointments to the Arizona Behavioral Health Planning Council are made in the following ways, depending on the membership requirements. For consumers, family members, parents and service providers, the Planning Council's Executive Committee will nominate an individual to join its membership, which will then be brought to the full Council for approval. The Council submits a letter of recommendation to the Deputy Director of the Department of Health Services, Division of Behavioral Health Services, who will approve (or not approve) the nominee. The Planning Council and its committees search and nominate appropriate individuals on a regular basis. Regarding the regional behavioral health authority representatives, the Chief Executive Officer of each regional behavioral health authority appoints a representative from its service area who is a consumer, family member or Board member. The state agency representatives (e.g., social services, vocational rehabilitation, criminal justice) are appointed by their respective state agencies.

Each Council member serves for three (3) years. The term served by members is automatically extended until reappointed or replaced.

The Council is charged with the mission of:

- Serving as an advocate for adults with a serious mental illness and children who are seriously emotionally disturbed, including individuals with other behavioral health needs.
- Reviewing, monitoring and evaluating the adequacy of mental health services within the State.

The Arizona Behavioral Health Planning Council meets regularly throughout the year, with the exception of the summer months. The Planning & Evaluation Committee meets during the summer to complete the Mental Health Plan portion of the Block Grant application. Meetings are held in the state capitol (Phoenix) as well as various locations around the state. Meetings held in local communities are done so that the Council may meet with provider agencies and people who provide the behavioral health services, as well as the recipients of such services. Its standing committees also meet regularly and are used to assist the Council in its responsibilities by reviewing specific issues or concerns and developing recommendations.

The Council is active in reviewing and tracking state and federal legislation relating to mental health services; this work is then turned into the development and dissemination of position papers, providing testimony at legislative hearings, and advocating for the populations it is mandated to serve. The Council is also kept abreast of current issues, programs, upcoming grants, and other topics in the behavioral health field, and act as an advisory body to the State.

Accomplishments for this fiscal year include:

- Participation in the Center for Mental Health Services site visit. Council members were interviewed and provided information.
- Conducted meetings throughout the state to meet with local regional behavioral health authorities and to learn about local issues and concerns.
- Implemented the results of the retreat through revision of its membership to ensure compliance with the federal law and based on recommendation from the National Association of Mental Health Planning and Advisory Council, to include protection and advocacy representatives.
- Tracked state and federal legislation affecting children and adult mental health and developed recommendations in a letter to the Governor.
- Resurrected the Seriously Mentally Ill committee to address the needs of this population.

Council on Offenders with Mental Impairments

In 1992 the Arizona Legislature create the Council on Offenders with Mental Impairments. The Council is charged with determining the status of offenders with mental illness, mental retardation, and developmental disabilities within the state's criminal justice system to identify the services needed by those offenders. The mission of the Council is: *Through Collaborative efforts and leadership, consistent with public safety, the Council will shape the state and local public policy for the identification, diversion, and quality treatment of all individuals with mental impairments who interact with or are at risk of interacting with the criminal justice system.*

The Council meets monthly and has several subcommittees. Some of the recent accomplishments include:

- The Juvenile Subcommittee reviewed the gaps in the child-serving system of care. Through this process, it was determined the need to develop best practices for children with substance abuse and mental health needs.

- The Research and Integration Committee in conjunction with the Juvenile Subcommittee were involved in the formation of a pilot program to design behavioral health programming for adolescent female offenders with co-occurring disorders.
- A training course will be conducted with 15 Phoenix police officers. These officers will work with the homeless outreach team. The training will be a mixture of clinical information, advocacy, and presentations from advocacy groups, substance abuse training and community resource training. The training, which is a joint partnership with the Phoenix Police Department and ValueOptions, will be done three or four times a year. The program is in the process of being reviewed/certified by the Arizona Peace Officer Standards & Training Board.

Children's Behavioral Health Committee

The Children's Behavioral Health Committee was established pursuant to Arizona Revised Statute 36-3421-22 to oversee the development of a single comprehensive, coordinated continuum of services for children. The Arizona Legislature repealed the Council in its 1999 legislative session and, effective January 2000, the Council became a committee of the Arizona Behavioral Health Planning Council. The Children's Committee provides a strong link between the state behavioral health system and the statewide network of local children's councils by sharing information, hosting statewide council meetings, and other activities. Currently, the committee has started to visit local or regional children's councils in the state, with the idea to develop a paper based on the information shared at those meetings.

Arizona Behavioral Health and Aging Coalition

In mid-1996, five Arizona representatives were invited to Albuquerque to discuss how to build a statewide mental health and aging coalition. Upon their return, a Steering Committee was formed and a new effort to pool resources of the aging network and behavioral health providers was underway. The Coalition began under the direction of the Department of Health Services, who continues to staff and coordinate the Coalition's activities in partnership with the Mental Health Association of Arizona who chair the Coalition.

The mission of the coalition is: *promoting awareness of and access to behavioral health services that enhance the quality of life of older adults*. The coalition also provides opportunities for professionals, consumers, government and private organizations to work together toward improving the availability and quality of mental health and substance abuse prevention and treatment for Arizonans 60 years of age and older. The Coalition has four subcommittees that meet on a monthly basis, taking direction from the three-year strategic plan.

Recent accomplishments include:

- Provided and participated in two statewide conferences in 1996 and 2001. The focus of both conferences was behavioral health issues and older adults.
- Statewide Resource Directory updated January 2001.

- Gatekeeper Legislation - This has been introduced for three sessions, and will be reviewed for next year's session.
- Partnership Building.
- Information Sharing.
- Coalition Brochure.
- Development of a Quarterly Newsletter. Three issues have been completed.
- Providing all Coalition information and activities on the Arizona Department of Health Services/Division of Behavioral Health Services website.
- Completed a three-year strategic plan.

Healthy Arizona 2010

Healthy Arizona 2010, the state's Healthy People plan, is coordinated through the Arizona Department of Health Service as a statewide initiative. Participation for this initiative is with county and tribal health departments, the border communities, cities and towns, the faith community, schools and colleges, voluntary organizations, and businesses. There are 12 focus areas for the plan, with the Arizona Department of Health Services content experts and a business partner for each of the teams. The Arizona Department of Health Services/Division of Behavioral Health Services is co-leader for two of the teams, the mental health work group and the substance abuse team.

The mental health work group meets on a monthly basis and is focusing on depression and related disorders as a focus of activity as a result of the prevalence and the social, physical, and economic impact of depressive disorders. The co-leader of this group is the Mental Health Association of Arizona. The mental health work group is working on four objectives that include:

- Increase community knowledge and understanding of depression through collaboration with public and private agencies/businesses.
- Decrease the number of completed suicides for teens and older adults.
- Increase the number of individuals in Arizona that are screened for depression and referred for treatment if needed.
- Increase access to services for persons with depressive disorders.

The substance abuse work group meets on a regular basis. Over the past 20 years, a body of evidence has established the potential of treatment to produce positive changes and to dramatically reduce the social and healthcare costs of addictive disorders. In particular, substance abuse treatment reduces street crime, restores gainful employment, reduces risk-taking lifestyles, and relieves a host of public heath costs associated with HIV disease, fatal substance exposure, debilitating disease, and substance-related mental health problems,such as domestic violence, suicide and chronic depression. This work group is focusing on four objectives that include:

- Reduce mortality related to alcohol use.
- Reduce mortality related to drug abuse.

- Increase the percentage of Junior High/Middle school student who abstain from substance abuse.
- Reduce the percentage of alcohol-related traffic fatalities.

Tobacco Tax Behavioral Health Services

Purpose and Background

During the 1995 legislative session, the Arizona Legislature passed House Bill 2275 to allocate funding from the Tobacco Tax revenues. Included in the legislation was the allocation of $5 million for delivery of behavioral health services to indigent, uninsured or underinsured children, adults and adults with a serious mental illness who do not meet Medicaid (Title XIX) eligibility requirements. An additional $500,000 was allocated for the implementation of up to three rural detoxification programs. Total annual funding allocated to the Arizona Department of Health Services, Division of Behavioral Health Services was $5.5 million per year.

For fiscal year 2000 and fiscal year 2001, the Arizona Department of Health Services/Division of Behavioral Health Services received an additional $8 million, over the regular annual allocation of $5.5 million. This additional allocation was to cover the costs for new generation psychotropic medications to the non-Title XIX Seriously Mentally Ill population. This brings the total appropriation for fiscal year 2000 and fiscal year 2001 to $13.5 million. Information regarding the use of these funds is included in the demographics section of this report.

July 1, 1999 through June 30, 2000, was the fifth year of operation for the Behavioral Health Tobacco Tax Program. The first year consisted primarily of developing policies and plans, selecting contractors, developing locations and offices and hiring staff. The second year was the first year of full operation, and the third year was a continuation of the programs. During the third year, carryover funds from the first and second years were used to both enhance ongoing programs and develop new programs designed to assist the behavioral health system in coordinating care with other state agencies and the courts.

Tobacco Tax funds are integral in assisting the State to increase the proportion of adults with recognized depression who receive treatment, which is one of the Department's health objectives for Healthy People 2010. Several Tobacco Tax-funded programs provide services for adults with depression. For example, funds are used to contract with pharmacies to fill necessary psychiatric medications for individuals who would otherwise have no means of obtaining prescribed medications. A program in Northern Arizona provides services for persons who are elderly and have significant behavioral health problems, e.g., depression, and multiple medical problems.

Summary of Tobacco Tax Funding, Behavioral Health Services

Since fiscal year 1995, behavioral health services across the state have received over $54 million in Tobacco Tax funds. Table 1 shows the annual Tobacco Tax funding awards and cumulative statewide totals allocated for behavioral health services since the beginning of the Tobacco Tax program.

***Table 1* - The Arizona Department of Health Services/Division of Behavioral Health Services TOBACCO TAX PROGRAM BUDGET, Fiscal Year 1995 – 2001**

Regional Behavioral Health Authority	Fiscal Year 1995	Fiscal Year 1996	Fiscal Year 1997	Fiscal Year 1998	Fiscal Year 1999	Fiscal Year 2000	Fiscal Year 2001	TOTAL
ValueOptions	2,549,286	2,549,286	2,549,286	2,549,286	2,549,286	7,064,756*	7,064,756*	**$26,875,942**
CPSA	1,477,500	1,477,500	1,477,500	1,477,500	1,477,500	3,752,156*	3,752,156*	**$14,891,812**
NARBHA	886,716	886,716	886,716	886,716	886,716	1,705,748*	1,705,748*	**$7,845,076**
PGBHA	189,738	189,738	189,738	189,738	189,738	356,372*	356,372*	**$1,661,434**
Excel Group	396,760	396,760	396,760	396,760	396,760	620,968*	620,968*	**$3,225,736**
TOTAL	**5,500,000**	**5,500,000**	**5,500,000**	**5,500,000**	**5,500,000**	**13,500,000**	**13,250,000**	**$54,250,000**

*** Includes psychotropic medication funding**

Tobacco Tax Contractors and Contract Awards

The Tobacco Tax Behavioral Health Services program is administered by the Arizona Department of Health Services/Division of Behavioral Health Services. Table 2 on the following page lists the Tobacco Tax programs by regional behavioral health authority and the program budgets. Tobacco Tax funding was awarded to 22 programs in fiscal year 2001.

Figure 8

Table 2

The Arizona Department of Health Services/Division of Behavioral Health Services Tobacco Tax Program Budget, Fiscal Year 2001

Regional Behavioral Health Authority (RBHA)	Program	Annual Budget
ValueOptions	✓ Crisis Services	2,498,300
	✓ Administration	50,986
	✓ New generation Psychotropic medications	4,515,470
	TOTAL, Value Options:	**$7,064,756**
Community Partnership of Southern Arizona (CPSA)	✓ Substance Abuse Treatment for Youth (Special Project)	490,000
	✓ Juvenile Court/RBHA[1] Collaboration	130,000
	✓ Community Based Prevention/Early Intervention Services, Rural Pima Co.	124,758
	✓ Community Based Prevention/Early Intervention, Tohono O'Odham Nation	66,000
	✓ Peer Mentoring Program, Adults with SMI[2]	150,000
	✓ Residential StepUp Program-Substance Abuse	150,000
	✓ Community Based Services , Elderly	130,907
	✓ Medications	17,821
	✓ SEABHS[3] Regional Crisis System	188,464
	✓ New Generation Psychotropic Medications	2,274,656
	✓ Administration	29,550
	TOTAL, Community Partnership of Southern Arizona:	**$3,752,156**
Pinal Gila Behavioral Health Association (PGBHA)	✓ GateOpeners-Elderly Behavioral Health	87,000
	✓ Pinal County Juvenile Detention Center	40,000
	✓ Children's Wrap Around Services	46,444
	✓ Villa Oasis Interscholastic Center	12,500
	✓ New Generation Psychotropic Medications	166,634
	✓ Administration	3,794
	TOTAL, Pinal Gila Behavioral Health Association:	**$356,372**
Northern Arizona Behavioral Health Authority (NARBHA)	✓ Juvenile Court Collaboration	249,244
	✓ Community Health Center Collaboration	95,968
	✓ Ethnic Minority Youth Services	103,168
	✓ Senior Outreach/Case Management	76,909
	✓ Improved Outreach and Accessibility	100,708
	✓ New Generation Psychotropic Medications	819,032
	✓ Administration	10,719
	TOTAL, Northern Az Regional Behavioral Health Authority:	**$1,455,748**
The Excel Group	✓ Rural Detoxification	250,000
	✓ Mobile Intake and Referral Services	146,760
	✓ New Generation Psychotropic Medications	224,208
	✓ Administration	0
	TOTAL, EXCEL GROUP:	**$620,968**
	TOTAL STATE ALLOCATION	**$13,250,000**

[1] RBHA – Regional Behavioral Health Authority
[2] SMI – Seriously Mentally Ill
[3] SEABHS – Southeastern Arizona Behavioral Health Services

Section II

Arizona State Hospital

Chapter

1

Introduction and Overview: Arizona State Hospital

The Arizona State Hospital ("the Hospital") is a component of the statewide continuum of behavioral health services provided persons in Arizona. Under the purview of the Division of Behavioral Health Services, a division of the Arizona Department of Health Services, the Hospital is a publicly funded facility, dedicated to the restoration and preservation of the mental health of those residents of Arizona who require a state-supported tertiary level of inpatient hospitalization and rehabilitative care. Hospital personnel continually strive to provide state-of-the-art inpatient psychiatric care. The Hospital is committed to the concept that all patients and personnel are to be treated with dignity and respect so personal and professional growth are maximized.

Senior management members of the Hospital and the Division of Behavioral Health Services, including the Hospital's clinical team representatives, continually review the goals and objectives of the Hospital and the Hospital's role in the statewide continuum of behavioral health services. These goals and objectives are shared with all Hospital personnel for final modification and acceptance. The Hospital's "Vision Statement," which provides long-range guidance for Hospital personnel, and the Hospital's "Mission Statement," which provides shorter-range, day-to-day operational guidance for the Hospital and service providers, have been reviewed and remained unchanged.

A Component in the Statewide Continuum of Care for the Arizona Department Health Services/Division of Behavioral Health Services

VISION STATEMENT

The Arizona State Hospital will meet the needs of our patients and other customers in collaboration with our community partners. We will continue to be a unique and valuable resource in the provision of specialized psychiatric treatment, rehabilitation, education and research. We will always strive to improve our performance.

Guiding Principles

With both the "Vision Statement" and the "Mission Statement" as the guiding principles, the Arizona State Hospital provides psychiatric hospitalization and treatment for persons presently living in the state of Arizona who meet the criteria for admission. While providing evaluation and active treatment, the Hospital is continually cognizant of the rights and privileges of each patient, particularly the patient's right to confidentiality and privacy.

Operating Values

Whereas there is no approach that is guaranteed to be successful in the treatment of persons who suffer from mental illnesses or disabilities, we shall continuously strive to improve our knowledge, understandings and skills.

Whereas the public mental health system exists in an environment which has changing and sometimes conflicting priorities, issues and demands, we shall remain centered on our goals, maintain flexibility in negotiating solutions and be resilient in dealing with conflicting and conflicting priorities and demands. We are sensitive to the effects that changing demands and priorities have on our patients, colleagues, our superiors, subordinates and ourselves.

Whereas we operate within an institutional environment, we shall strive to protect, enhance and maintain the dignity and personhood of those we serve. Each of us will treat patients, their significant others, external customers and each other with respect and dignity. We support and recognize the needs and accomplishments of patients and staff.

MISSION STATEMENT

The Mission of the Arizona State Hospital is to restore and enhance the mental health of persons requiring psychiatric services in a safe, therapeutic environment.

Whereas the Arizona State Hospital, similar to other state hospitals, operates in an environment of external scrutiny with limited resources to accomplish its broad mission, we shall have a joint commitment to the organization's mission, vision, objectives and activities. ("We all own everything"). Individually, each of us serves as "ambassadors" representing the Arizona State Hospital by supporting and being dedicated to the Hospital's work. We continuously focus on achieving goals, objectives, and time lines.

Whereas the work of mental health is "people intensive", and people have differing priorities, values, and operating styles, we shall maintain ethical and moral standards. Individually, we are candid and forthright with each other and resolve differences in a constructive, facilitative and positive manner. We strive to maintain effective individual and team working relationships. We share the workload and assist one another.

Whereas the work is continuing, demanding, and stressful, we shall be responsible for maintaining our own well being, and for providing assistance and support to one another. We demonstrate an awareness of how personal stress affects our work and how work stressors effects our personal lives.

Chapter

2

Fiscal Year 2000 – 2001 Highlights

Arizona Department of Health Services/ Arizona State Hospital Groundbreaking Ceremony for the New Adolescent and Adult Civil Hospital Groundbreaking Ceremony

Governor Jane Dee Hull Presides Over Groundbreaking Ceremony

"Tomorrow" finally became "Today" for the Arizona State Hospital and the citizens of Arizona on May 9th, 2001 as Governor Jane Dee Hull presided over the historic groundbreaking ceremony for the construction of the new 200-bed Civil Adult and 16 bed Adolescent Treatment Facilities.

Scheduled to open in July 2002, the Adolescent Hospital will be a 16-bed facility, with a gymnasium, classrooms and treatment areas. The Civil Adult Hospital is scheduled to open in December 2002/January 2003 and consists of three separate treatment units and a rehabilitation mall designed to help reintegrate patients back into society.

The 44th Legislature appropriated $80 million dollars in January 2000 (Laws 2000, Chapter 1, House Bill 2019) for the construction of the new facilities and to renovate existing facilities for forensic use. Under the leadership of Governor Jane Dee Hull, together with the non-tiring support of mental health advocates, legislators, patients and patients' families, Hospital staff, the Directors of the Arizona Department of Health Services and Arizona Department of Administration, and the strong backing of the business community, the dream of a new Arizona State Hospital is on its way to becoming a reality.

All project design and construction plans are approved by the Arizona State Hospital Capital Construction Commission, whose members were appointed by the Governor and the Legislature, to oversee the project and make recommendations to the Joint Committee on Capital Review, the legislative body who reviews all phases of the project.

Design-Build Team Members:

Gould Evans Architects, Cannon Design and McCarthy Construction Company

Construction of the new Adolescent and Civil Adult facilities was awarded to the design-build team of Gould Evans Architects, Cannon Design and McCarthy Construction Company. Following an extensive planning process, construction commenced and is scheduled to be completed by January 2003. The final phase of the project, the Forensic Program renovation/remodel, is scheduled for completion in 2005.



Project Scope:

The scope of the project, which will eventually improve most of the facilities and infrastructure on the 94-acre campus located at 24th Street and Van Buren, includes:

1. Construction of a new Inpatient Adolescent Treatment Facility (16 licensed beds), estimated opening date of July 2002.

2. Construction of a new Adult Civil Behavioral Health Inpatient Facility (200 licensed beds), estimated opening date of December 2002 or January 2003.

3. Renovation of existing buildings (Wick, Juniper and Granada Treatment Units) into a new Forensic Behavioral Inpatient Facility, between 2003 - 2005.

4. Completion of a treatment facility to support the state's Arizona Community Protection and Treatment Program for Sexually Violent Predators.

5. Major upgrades to the campus utility and communication infrastructure.

The new Hospital will be a ray of hope for the patients committed here for treatment and it will serve as a hallmark piece in the statewide continuum of behavioral health care. We hope to crystallize new psychiatric ideas and to continue to improve treatment and rehabilitation therapies for our patients. In collaboration with our sister provider agencies, neighbors, businesses and citizens, we hope to revitalize the campus of the Arizona State Hospital, to make it a serenely aesthetic and highly regarded state-of-the-art facility that can be a source of pride to Arizona citizens and to the communities that send their most vulnerable persons here for treatment.



ABOVE: Arizona Department of Administration Director Elliott Hibbs, Jack Silver, Representative Jeff Hatch-Miller, Former Senator Sue Grace, Governor Jane Dee Hull and Arizona Department of Health Services Director Cathy Eden.



LEFT: Chief Financial Officer Walter Scott, Chief Executive Officer Jack Silver, Medical Director Dr. Jerry Dennis, Community Relations Officer Victoria Davis, Nurse Executive Officer Colleen Rannells.

BELOW: Jack Silver, Cheryl Collier-Becker, Exec. Dir. Mental Health Assoc., Az Dept. of Health Services Dir. Cathy Eden





ABOVE LEFT: Jim Bush, Chair of both the Mental Health Task Force and the Arizona State Hospital Capital Construction Commission delivers remarks at the Groundbreaking Ceremony.









GROUNDBREAKING CEREMONIES: Clockwise from top left: Former Senator Sue Grace, Jack Silver, Rep. Hatch-Miller, Gov. Hull, Dir. Eden, Jim Bush. Top right: Director Eden, Director Hibbs. Governor Hull with Hospital Staff.

DEMOLITION PHOTOES: Taken September 18, 2000. In the footprint the new Hospital, the old library building had to be demolished.

Hospital Receives "Spirit of Excellence Award"



SPIRIT OF EXCELLENCE: Governor Jane Dee Hull poses with members of the Diabetic Care Program Performance Improvement Task Force at the December 2000 Award Ceremonies. Bottom row from left to right: Victoria Davis, Lisa Koenig, Georgia Frerichs, Governor Hull, Dr. Deann Estes, Eva Newell, Karen Olsen. Top row left to right: Jack Silver, Dr. Jerry Dennis, Dr. Fred Schwartz.

Governor's Spirit of Excellence Award Winner: Diabetic Care Program Performance Improvement Task Force

Excellence in Government: In December 2000, the Hospital's Diabetic Care Program Performance Improvement Task Force received the prestigious Governor's Spirit of Excellence Award. The Governor's Quality Award Program, "Spirit of Excellence," annually recognizes and rewards quality, excellence and continuous improvement efforts of state agency programs that continually strive towards excellence in government.

A detailed and comprehensive protocol was devised and implemented which represents the best practice guidelines in the treatment of individuals who suffer from diabetes. The diabetic protocol treatment of the Hospital exceeds the community treatment standards at this time.

Diabetes is a chronic and progressive life-long illness and individuals who suffer from it must observe a challenging and comprehensive medical and lifestyle plan of care in order to prevent or slow potentially debilitating and life threatening complications. This is difficult for persons who are mentally sound, but exponentially difficult for those who suffer from serious mental illness. This was, indeed an honor for the entire Hospital.

Spirit of Excellence; Recognition Award

I.M.P.R.O.V.E. Arizona State Hospital Performance Improvement Team Receives Governor's Spirit of Excellence Award; Recognition

Recognition Award: The Hospital was also honored with a Spirit of Excellence Recognition Award for the work done by the I.M.P.R.O.V.E. Arizona State Hospital Performance Improvement Team did in the journey to regain Health Care Finance Administration (Health Care Financing Administration) certification and Medicare reimbursement status.

Since January 1997, the Hospital had been in the minority of state hospitals around the country that was not Medicare certified. This not only had serious financial impacts on state revenues (with a potential loss of $27 million in federal Disproportionate Share dollars), but was an indication that the conditions within which this single state operated psychiatric hospital did not comply with federal regulatory standards of care, safety and treatment.



SPIRIT OF EXCELLENCE; RECOGNITION AWARD: I.M.P.R.O.V.E. ASH Project Improvement Team BOTTOM Left to Right: Georgia Frerichs, Patricia Razo, Irene Milani, Governor Hull, Doug Roill, Debra Desprois, Sandy Zacchia. TOP Left to Right: Jack Silver, Victoria Davis, Dr. Jerry Dennis, Claire Hansen, Gary Swenson, David Polonsky, Bill Mott, Al Cerato, Rosleen Reynolds, Mike Williams.

Achieving certification is more rigorous than maintaining certification. In order to become re-certified, the Hospital had to demonstrate compliance with a comprehensive array of standards ranging from active treatment to facilities management, which amounted to correcting 93 pages of deficiencies cited in the 1998 Medicare survey report. It required the sustained Hospital-wide

efforts of Hospital management, every Hospital employee, contractor and even patients to correct these deficiencies.

Successive re-certification surveys are limited to a focus on active treatment and adequacy of staffing. To be re-certifiable, however, the Hospital had to be in compliance with each and every standard that brand new hospitals face – a daunting task for a Hospital who's newest treatment buildings were constructed in the 1950's!

The journey to re-certification required a comprehensive rebuilding and restructuring of the Hospital's operations. This was a task that required extensive work both within the organization and the Arizona Department of Health Services and between the Hospital, the Arizona Department of Health Services, the Executive and Legislative Branches of Government and the Regional Behavioral Health Authorities of Arizona. This was a team effort that could not have been accomplished without effective planning, coordination, execution and resolve at many different levels.

In June 2000, the Hospital successfully regained Health Care Financing Administration certification and Medicare reimbursement status. The Deficiency Report that followed the Medicare inspection was only one paragraph in length. Today, the Hospital continues to maintain a multi-disciplinary Survey Readiness Team that consists of members of the Executive Management Team and the Directors of all the major clinical and support departments of the Hospital which focus on the areas of:

- Recruitment and Retention
- Active Treatment
- Environment of Care
- Patient and Program Management



Joint Commission on Accreditation of Healthcare Organizations /Medicare Certification Celebration: The journey to re-certification required a comprehensive rebuilding and restructuring of Hospital operations to comply with a comprehensive array of standards ranging from treatment to facilities management.

LEFT TO RIGHT: Judi Higginbotham, Director of the Office of Human Rights, CEO Jack Silver, Nancy Velarde, R.N., Assistant Nurse Executive Officer and Colleen Rannells, R.N., Nurse Executive Officer celebrate the milestone achievement that took three years to accomplish.

Arizona State Hospital Staff Honors Fiscal Year 00/01



Dr. Jerry L. Dennis, Receives "Walk the Talk" and "Exemplary Psychiatrist" Awards

Arizona Medical Association Award: Dr. Jerry Dennis, the medical director for the Hospital, was selected to receive the first "Walk the Talk" Award presented by the Arizona Medical Association on June 8, 2001 following a CBS News 60 Minutes interview with Leslie Stahl. Jerry became a national celebrity when the program profiled his difficult struggle in a recent death penalty case involving a mentally incompetent inmate that he refused to restore to competency for execution based upon his personal and professional ethics.

NAMI Arizona Award: This year, National Alliance for the Mentally Ill Arizona also chose to honor Dr. Dennis with the "Exemplary Psychiatrist Award" for contributing to greater public understanding of brain disorders, working to eliminate stigma, fighting discriminatory policies and caring for people who suffer from mental illnesses. It is indeed an honor to have such a distinguished and recognized psychiatrist leading the dedicated staff of the Arizona State Hospital.

Walter Scott, Chief Operations Officer, Finalist "Administrator of the Year"

Arizona Administrators Association Award: Walter Scott, Chief Operations Officer for the Hospital, was honored as a finalist in the Administrator of the Year Honors for his outstanding performance this past year in for coordinating 23 focus group planning sessions for the new hospital. Mr. Scott has been performing his regular duties in addition to serving as the point person in the oversight of the construction of the new hospital.



CHIEF OPERATIONS OFFICER Walter Scott recognized in the "Finalist - Administrator of the Year" Award June 6, 2001 presented by the Arizona Administrators Association

Jack Silver, Hospital Chief Executive Officer/Superintendent Chosen Arizona Department of Health Services "Leader of the Year"



DIRECTOR CATHY EDEN presents Jack Silver with the Arizona Department of Health Services "Leader of the Year" Award

ADHS Leader of the Year Award: Jack Silver, CEO/Superintendent of the Arizona State Hospital, was selected as the ADHS "Leader of the Year" for his efforts in preparing the Hospital to meet the requirements of re-certification, his hard work, pride and enthusiasm. Cathy Eden, Director of the ADHS, congratulated Mr. Silver on a job well done said she was proud to have Mr. Silver on her staff and to have the benefit of his careful, conscientious approach to administering the Hospital. She commended him on his outstanding employee recognition efforts for those who serve patients around the clock and thanked Mr. Silver and his staff for ensuring that patients receive the best care.

Wanda Bulger, Volunteer Coordinator Chosen Hospital "Employee of the Year"

Employee of the Year Award: Wanda Bulger was chosen "Employee of the Year" at the Hospital, for her dedication and outstanding contributions in coordinating volunteer activities throughout the year. Since taking over the Volunteer Office this past year, Wanda has organized the department, expanded the areas of service and increased the number of volunteers active on Hospital grounds.

Wanda oversees the Clothing Room, accepts donations of all kinds and makes many trips into the community to pick up donated items. She tirelessly worked for the successful restoration of the "All Souls Cemetery" that had fallen into disrepair and neglect. Her energy is boundless, her concern for and dedication to providing the best patient care is her greatest motivation and she sets the example for Hospital employees on a daily basis.



WANDA BULGER, THE HOSPITAL'S EMPLOYEE OF THE YEAR, accepts award from Chief Executive Officer Jack Silver at the Employee Awards Ceremony

Arizona State Hospital Timekeepers Chosen Hospital's "Team of the Year"



THE HOSPITAL TIMEKEEPERS: accept "Team of the Year Award" from Jack Silver, CEO / Superintendent (FROM LEFT TO RIGHT: Shirley Coe, Sondra Garman and Angela Gonzales NOT PITCURED: Kathleen Edgington, Cynthia Freedman, Irene Abril-Hernandez, Yolanda Dowty, Bernice Barrey, Sharon Stewart, Janette Johnson, Lois Furlan)

Arizona State Hospital Team of the Year Award: Keeping the Hospital staff paid in a timely and efficient manner takes dedication to timekeeping details. Hospital employees receive their paychecks every two weeks. The Team that prepares the paperwork, gathers and ensures the proper signatures, revises and maintains the records, juggles various other duties and still meets the deadline is the Timekeepers.

They are the first line of defense and ensure that the payroll is delivered. This is a very dedicated group that works very hard so that the Hospital employees payroll records are up-to-date, correct and comply with the Department of Labor/Wages and Hour Guidelines. For these reasons, the Timekeepers at the Hospital were recognized as the "Outstanding Team of the Year."

Arizona State Hospital Employee Recognition Committee

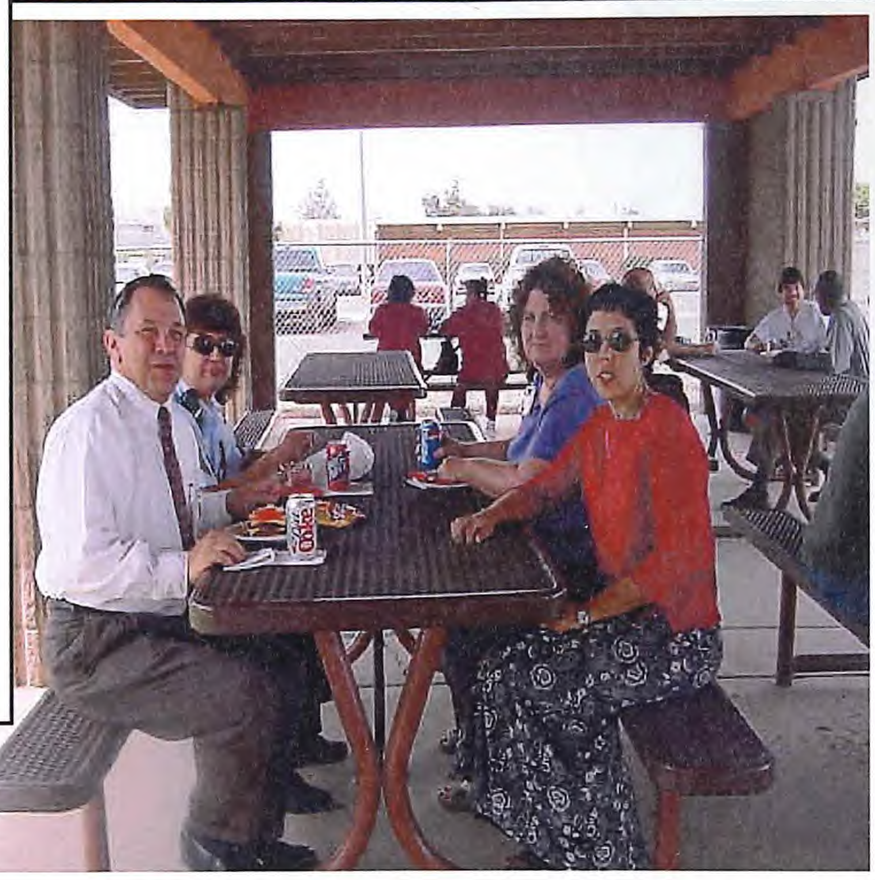
Barbecues, Bake Sales: The Arizona Department of Health Services and the Hospital believe that our employees are our most important asset. Our commitment to excellence is realized through the contributions of individual employees as well as the collaborative effort of teams. Every day, many Hospital employees go above and beyond to assist customers, the public, and other employees. The Hospital encourages recognition of these individuals by nominating them for their customer service, teamwork, integrity, or overall positive attitude.

The Arizona Department of Health Services Employee Recognition Program was created in 1992 to celebrate and support employees through recognition. Sue Gilbert, who has worked at the Hospital for over 30 years, is the Hospital's Employee Recognition Coordinator. The members of the Hospital's Employee Recognition Committee consists of a group of dedicated employees who spend many hours raising funds to promote employee recognition programs and activities throughout the year.









Performance Improvement Teams Recognized with Fiscal Y 2001 Awards

Performance Improvement Awards: The fiscal year 2001 Performance Improvement Awards were given to individual employees and teams in recognition of their substantial contributions to the continuous improvement of services provided at the Hospital at the May 2001 Superintendent's Meeting. The deserving recipients were:

- Pain Management Team
- Dental Services Department
- Patient and Family Education Committee
- Granada Staff: Brandy Simpson and Wendy Paustian
- Nursing Department Staff: Karen Olson and Eileen Lundberg
- Social Work Services Performance Improvement Team
- Laboratory and Nursing Services Glucose Meter Team
- Medical Staff Services Department: Georgia Frerichs
- Training and Education Department

Pat Razo, Social Services Director and Rosleen Reynolds, Chief Quality Officer



Karen Olson, Nursing Department and Hazel Hargrove



Chapter 3

Operational Highlights FY 2000-2001

Staffing/Budget

The Arizona State Hospital has 712 authorized positions (80.6% of these positions were filled as of June 30, 2001) that treat an average of 306 patients daily. The fiscal year 2000-2001 budget for the Hospital was $48,620,958. Recruitment and retention of qualified staff is a critical component in the Hospital's mission to provide active treatment to patients and to meet federal and state regulatory requirements for certification, accreditation and licensure while providing services in a therapeutic environment.

Included in the Hospital's fiscal year 2000-2001 $48,620,958, $9,365,900 was appropriated for operation of the Arizona Community Protection and Treatment Center Program, which employed 198 Full Time Employees that served 135 residents as of June 30, 2001. Of these 135 residents, 48 received active treatment, 64 were pre-trial detainees, 23 were in the Less Restrictive Alternative Program and 25 were pre-trial dismissals during the fiscal year.

Service Area

The Arizona State Hospital serves the needs of the most seriously mentally ill persons from all 15 counties within Arizona. Statewide court-ordered admissions are taken for civil, adolescent and forensic patients.

Health Care Financing Administration Medicare Certified/Joint Commission on Accreditation of Healthcare Organization Accredited/Arizona Department of Health Services Licensed Facility

In June 2000, the Hospital successfully regained federal Health Care Financing Administration certification. The Hospital maintained full accreditation by the Joint Commission on Accreditation of Healthcare Organizations and fully met the conditions of the Arizona Department of Health Services licensure requirements. This entitles the Hospital and the State of Arizona to receive Medicare reimbursement and to receive Federal Disproportionate Share Funds for servicing eligible populations.

Successful Census Management

A key component in regaining Medicare reimbursement status, successful census management remains a constant daily challenge for the Hospital. Exceeding licensed bed capacity by even one person on one day on just one unit jeopardizes Joint Commission on Accreditation of Healthcare Organization accreditation, Health Care Financing Administration certification and Medicare reimbursement which potentially translates to a loss of approximately $27 million in annual revenue to the state.

The Daily Challenge

Executive Management Team Members work to make sure appropriate beds are available to treat court ordered patients while complying with federal and state regulation requirements by not exceeding the Hospital's licensed bed capacity.

Since July 1999, the Hospital has managed the daily census to remain within federal and state regulatory compliance. This has been accomplished through constant communication and planning with community providers and the courts to make sure an appropriate bed is available before an admission is made.

The process has been improved through legislation that authorized the Superintendent of the Hospital to establish the daily census capacity in order to treat Adolescent and Restoration to Competency category populations based on licensed bed capacity (Session Law 1999, Chapter 255, House Bill 2478). The session law allows the Hospital Superintendent to establish a waiting list when 100% of each of these capacities is reached in these categories based upon the receipt of the court order by the Hospital Admission's Office.

In addition, the 45th Legislature passed Laws 2001, Chapter 244 (Senate Bill 1060) which extended by one year the 1999 Session which now repeals June 30, 2002 and expanded it to include the Adult Civil and Guilty Except Insane populations to help the Hospital remain in regulatory compliance while the new Hospital is under construction.

Recruitment and Retention Success

To recruit and retain an adequate number of qualified staff in the highly competitive market in both the private and public sectors of Maricopa County remains a challenge for the Hospital, which, in the past, has experienced vacancy rates as high as 40% for various Nursing Services positions. Salary increases and a retention stipend for nurses that was authorized by the Legislature in 1998/1999 was instrumental to the recruitment and retention success. The Hospital has also created an internal Nursing Pool and completely discontinued the use of outside agency/registry staff as of July 1999.

However, due to the local and nationwide nursing shortage, the Hospital noted a rising vacancy rate during the last quarter of fiscal year 2000-2001 and continues to monitor the situation closely and is developing strategies to ensure that the Hospital continues to be adequately staffed.

New Computer System Installed

The Hospital is currently in Phase II of a program to increase computer and automation ability and to resolve computer related issues, a process that began in fiscal year 1998/1999 with Government Information Technology Agency approval and authorization to proceed. The system is expected to be operational by the end of the year. When fully implemented, patient medical records will be partially computerized.

Programs and Departments

Office of Human Rights: Human Rights and Mediation Training

Under the management of the Human Rights Coordinator, the Office of Human Rights provides a wide range of services to patients, family members and staff. Advocacy services are provided for the patients through staff advocates on each treatment unit.

The Office of Human Rights also arranges mediation for patients or treatment teams who request this service. The Arizona State Hospital is one of only a few state hospitals in the United States that offers mediation for the resolution of inpatient mental health issues.

If patients or families have concerns or complaints, or think that rights have been violated, they may call or send their issues to the Human Rights Office where each complaint is reviewed and action taken as necessary. The Office of Human Rights can be reached at (602) 220-6012 or via e-mail

Mediation Training: In October 2000 and January 2001, the Hospital's Office of Human Rights provided Mediation Training to a total of 34 persons from various outside agencies including staff from the Division of Behavioral Health Services' Office of Grievance and Appeals and the Office of Persons With a Serious Mental Illness, Value Options (the Maricopa County regional behavioral health authority), Community Partnership of Southern Arizona, the Council on Disability Advocates and private corporations.

Therapeutic Work Program

The work program is organized much like a small business. The patient participants plan, coordinate, prioritize and implement a variety of projects on the hospital grounds and, at times, on the treatment units under the guidance of the Program Coordinator. The work program is primarily self-governing with the responsibility for many program decisions resting with the participants.

It is anticipated that members will work towards increased independence, responsibility, self-esteem, and receive positive experience in problem-solving along with an opportunity to acquire social techniques. Patients enjoy a sense of accomplishment as they develop new vocational skills.

Social Services Department

Improving the quality of life of the patient population is the work of the Department of Social Services. A continuing goal of the Social Services Department is to help patients live in the community with the supports and resources they require to maintain a quality of life by bringing together those community resources to achieve this goal. This year, a major project was launched which impacts the quality of life of patients who are discharged from the Hospital.

The Arizona Health Care Cost Containment System Project (a collaborative effort of the Arizona Department of Health Services, the Department of Economic Security, the Department of Social Security,

statewide health plans, primary care physicians, local pharmacies and various Hospital departments) seeks to assure that discharged patients leave with their health insurance eligibility established on the day of discharge, so that medical needs will be addressed immediately. Until this implementation of this program, patient benefit procurement could not be initiated until the patient was discharged. The eligibility process took approximately 60 days to complete. A patient's physical and mental health could deteriorate without necessary medications and this sometimes resulted in the need for re-hospitalization.

New Eligibility Process: Thanks to the success of the Project and the new eligibility process that begins 90 days prior to a patient's discharge, patients can leave with their medical benefits in place, a five-day supply of medications and an appointment with their primary care physician within five days of discharge.

Community and Family Links: One of the key functions of the Social Services Department is to assure the patient's links to the community and family are maintained during hospitalization. Dedicated Hospital staff are often credited with some amazing and touching outcomes.

Family Found: Social Worker Linda Pace and the Unit Team of Juniper 1 reunited a young man, hospitalized for several years, with his family from Mexico. Unable to speak English and diagnosed as psychotic with no known family or support system, the team was barely able to communicate with him. But staff refused to give up and eventually deciphered two important pieces of information - a woman's name and a city in Mexico.

Working with the Mexican Consul in Texas, community resources were pooled to locate the family of a young man who otherwise may have been lost in the system. Articles and ads were published in a Mexican local newspaper and the man's family came forward. For 14 years they had not known the fate of their son, who had left home to look for work in America. Because they had not heard from him, they assumed he was dead.

The Mental Health Association and the Hospital's Volunteer Department paid for the family to travel to the Hospital for four days. In an emotional reunion covered by the media, the young man was united with his long-lost family and he began speaking in Spanish.

Mental Health Program Specialist Training

The Arizona State Hospital entered into a partnership with Phoenix College this past year to set up a Mental Health Program Specialist training program. The intent was to offer a development opportunity to the employee that would enhance their current therapeutic and patient care abilities, while at the same time provide the employee with college credit.

The first course, entitled Introduction to Human Relations, was offered twice during fiscal year 2001, with a total of 29 staff members successfully passing the course for 2 hours of college credit. For the convenience of the staff, all classes were held on the hospital grounds and during their normally scheduled work hours. The instructors were hospital staff that are certified as instructors with the Maricopa Community College District.

The feedback received from the groups at the completion of this first course was very positive. All 29 of the participants indicated they would recommend this class to a colleague. Many of them asked when the next class would be offered. Some of the comments received included:

"More classes, longer courses"
"Should be required for all new staff"
"More class time, please"
"Everything was great"
"More time for other information. I would highly recommend this class to my peers."
"I believe this course was easy to understand and very informative"

On a scale of 1 to 4, with 1 being Poor and 4 being Outstanding, all 29 participants rated the class as a "4". Several of the students have used this course as a beginning point and enrolled in the community college to take additional courses.

Much of the success of this program is due to the efforts of Hazel Hargrove from Training and Education. Hazel was the lead instructor for the course, and was responsible for recruiting guests speakers and instructors for the various classes. Her knowledge as a nursing instructor with the community college has proven invaluable in the development and implementation of the curriculum. Her dedication to this endeavor did not go unnoticed by her students, as she scheduled one-to-one time with them and spent hours at home grading their journals.

In addition to the course mentioned, there are plans to offer a 1-credit hour course to all participants who complete the 2-hour course. It is our hope to continue this Training Program, allowing for a majority of the Mental Health Program Specialists to participate. Jack Silver hopes to expand the program to include participants from the community who would benefit from this knowledge base.



Mental Health Program Specialists Training Course Graduates received two college credit hours for their endeavors.

Treatment Programs

Community Reintegration Unit

New Forensic Program: The Community Reintegration Unit Performance Improvement Committee, chaired by John Kingsley, the Forensic Social Service Supervisor, took the lead to develop a new 32 bed coed step-down unit program. The Community Reintegration Unit opened the third week in July to provide an additional 12 beds for patient treatment.

This program allows forensic patients to be discharged to the community in a safe and therapeutic fashion. Community Reintegration Unit engages residents in a two-step discharge process that prepares patients for discharge by teaching adaptive living skills. Residents are encouraged to participate in community vocational rehabilitation programs and other recreational activities prior to discharge in an effort to make their return to community living more successful. This approach allows the treatment team to evaluate how residents will manage increased autonomy prior to official discharge.

Mentally Ill/Chemically Addicted Program
Dual Diagnosed Civil Adult Treatment Program

Mentally Ill Chemically Addicted Program Implemented: In May 2001, a new day treatment program was implemented to address the needs of civilly committed adult patients who are diagnosed with a serious mental illness and suffer concurrent substance abuse problems, as well. The Mentally Ill/Chemically Addicted) Program is presented in a group format on the hospital grounds. Each series of groups lasted ten weeks (12 hours per week). An interdisciplinary approach is used and includes professional contributions from nursing, psychology, social services and rehabilitation staff.

It is estimated that at least 60% of persons with a mental illness also have a co-occurring substance abuse problem. Substance abuse is often a contributing factor to the need for hospitalization. The goal of the Mentally Ill Chemically Addicted Program is to increase the knowledge patients have about the effects of alcohol/drug use, understand its relationship to mental illness, identify how substance abuse interferes with successful community living and help patients to develop healthy alternatives to using drugs/alcohol after discharge from the hospital.

We have implemented a process to evaluate the program by administering pre and post tests. Over the next few months we will be analyzing the results of the evaluation based on the results of these tests for patients who have completed the ten- week series. Based on the results of the evaluation, we will make changes in the program design.

Psycho-Educational / Process Groups Program: The Social Service Workers contribution to the Mentally Ill Chemically Addicted Program for Civil Patients with a Dual Diagnosis was to hold ten consecutive groups encouraging patients to adopt a growth oriented philosophy for living and to teach methods for managing mental illness and chemical dependency. Social Workers present methods for patients to initiate a growth plan with goals and then encourage sharing with the group. The program was made possible through the contributions from all the Allied Health Professions at the Hospital.

The Getaway Clubhouse

Patient Operated Getaway Clubhouse opened in May of 1997 and serves a very important role in rehabilitating patients by providing them opportunities for social interaction. Coordinated and managed by the patients who work there, the Getaway Clubhouse is overseen by a Rehabilitation Department staff member. The Clubhouse is open daily to patients to purchase snacks and hosts social activities such as pool, board games, ping-pong, movies and concerts.

The Arizona Community Protection and Treatment Center

The Arizona Community Protection and Treatment Center, formerly known as the Sexually Violent Predators Program, was implemented in September 1997 by Arizona Revised Statute §36-3701, §13-4601 through §13-4618 and provides for the treatment and housing of sexually Violent Predators. The law allows for the civil commitment of individuals who have been convicted of, or found guilty but insane of, a sexually violent offense and who have a mental disorder that makes the person likely to engage in acts of sexual violence. If the court finds that an individual meets this definition, the person is committed to the Arizona Community Protection and Treatment Center.

As of June 30, 2001, there were 135 sexually violent predators civilly committed to the Arizona Community Protection and Treatment Center, of which 48 were in active treatment, 64 were pre-trial detainees, 23 were in the Less Restrictive Program and 23 were pre-trial court dismissals. The 135 persons civilly committed to the Arizona Community Protection and Treatment Center represent less than 5% of all the sexual offenders released each year from the Department of Corrections upon completion of their sentences.

"Mental disorder" is defined as either a paraphilia or personality disorder that predisposes a person to commit sexual acts to such a degree as to render that person a danger to the health and safety of others. The mission of the center is to provide therapy to those individuals who have been civilly committed. The ultimate goal is to reintegrate into the community those individuals who have successfully completed the treatment program and who have been evaluated to be functioning at a level where their presence in the community does not present a risk to public safety.

Process Improvements; Therapeutic Modalities

The Diabetic Care Performance Improvement Task Force continues to address patient care and treatment issues to improve the standard of care for Hospital patients who suffer from diabetes. The Task Force developed and implemented a comprehensive clinical protocol during the last fiscal year. This protocol represents a "best practice guideline" that meets and exceeds the recommendations made in most community practice settings and earned the team the Governor's Spirit of Excellence Award in December 2000.

The Assault and Restraint Reduction Task Force adopted a series of focused, progressive, Hospital-wide performance improvement initiatives to significantly reduce the occurrence of assaults, and use of seclusion and seclusion with restraints. In its effort to meet new Joint Commission on Accreditation of Healthcare Organization and Medicare expectations in this area, several initiatives were undertaken: Personal Protective Equipment (face masks with eye shields) were made available, after-incident reviews within 24-72 hours were implemented to formulate revised individualized treatment goals and completion of a De-Escalation Assessment Form. These measures promote a safe and supportive environment by utilizing effective techniques to pro-actively identify patient stressors. As a result of this concentrated effort to reduce incidents of seclusion, restraint and assaults, patient and staff injuries (and severity of injuries) have continued to decrease over the past fiscal year with the lowest number of restraint hours ever recorded.

Medical Records Task Force: Social Services has experienced problems obtaining sufficient medical information on patients held in local jails during the adjudication process. For patients subsequently court ordered to the Hospital, little correctional system treatment information is available. Patients often arrive with serious health problems and little is known of their previous treatment or continuing need.

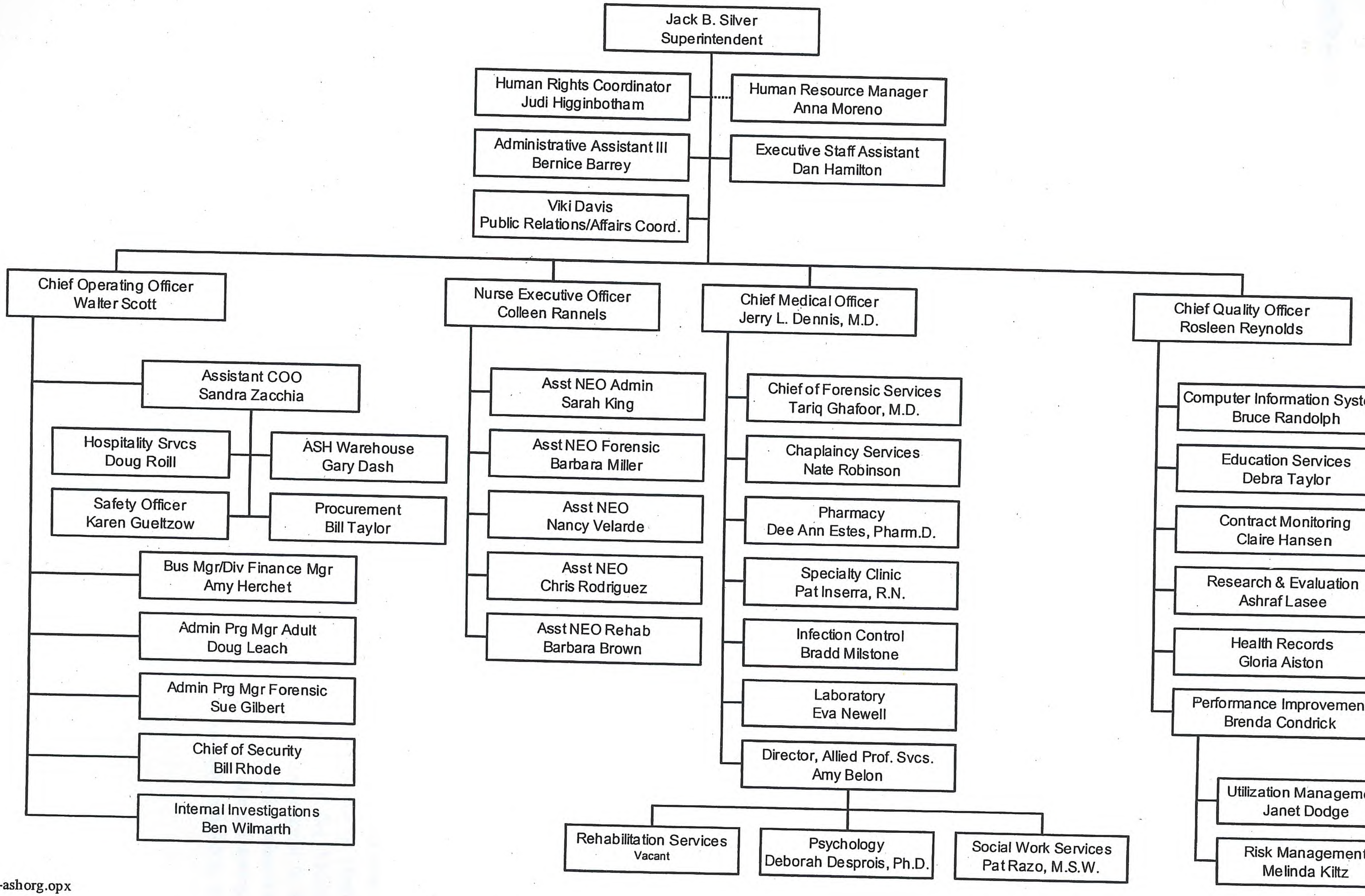
The Hospital and the Department of Corrections Health Services are working together to address this serious issue. A task force of medical records clerks from all the local jails and Hospital staff are developing a protocol whereby the patient's medical/psychiatric records from the local jail can be faxed to the Admission Office for review prior to the patient's transfer.

This process will allow the Hospital's doctors to meet the medical needs of the patient upon arrival, or initiate consultations or other arrangements, as necessary. In return, the Hospital provides the jails with early notification when patients are returned to the jail system and provides restoration status update information. This allows jail personnel to coordinate a smoother transition with the local regional behavioral health authority prior to the patient's release back into the community, should the courts decide to drop the charges due to patient's inability to be restored to competency.

ARIZONA DEPARTMENT OF HEALTH SERVICES

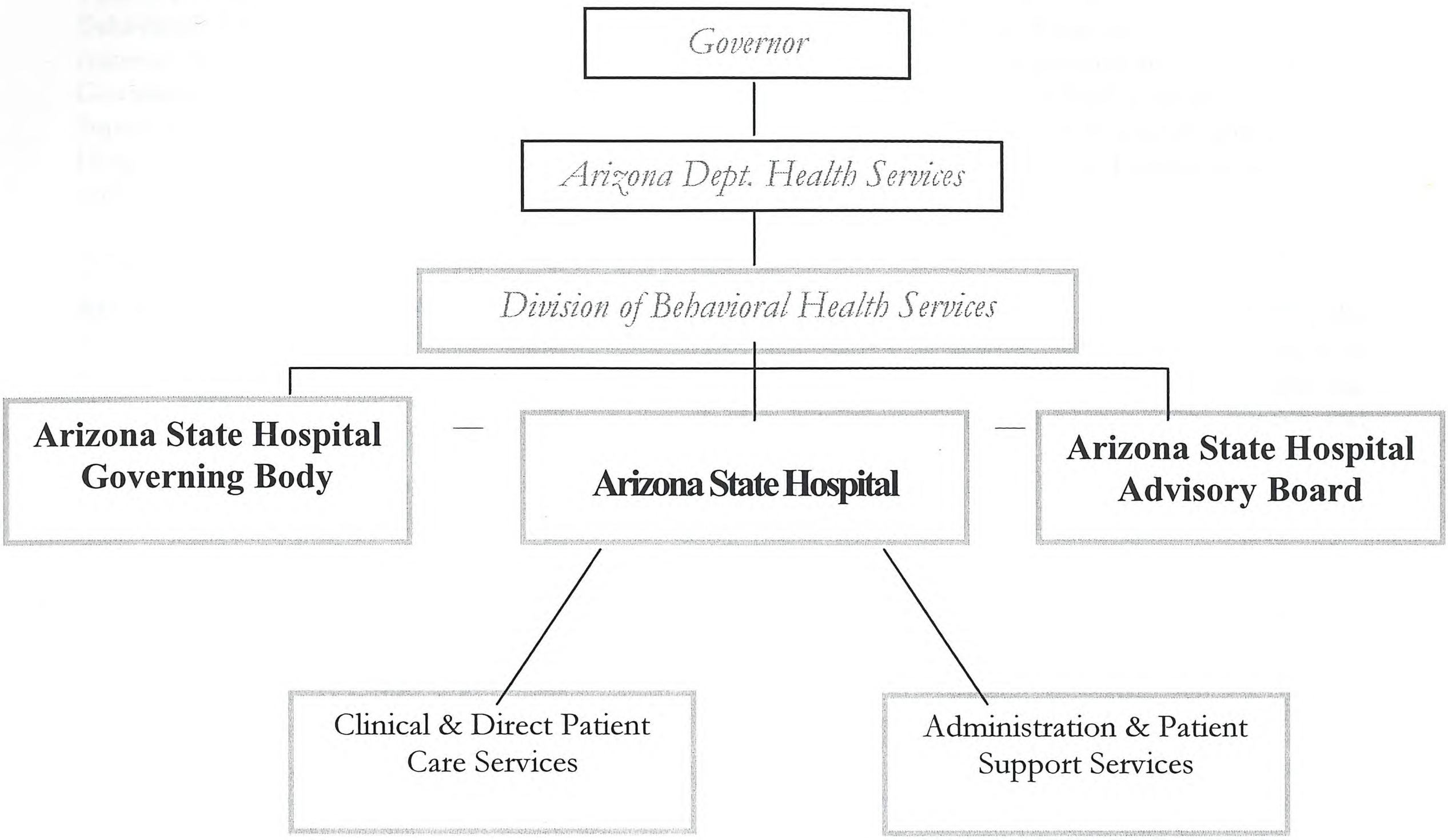
Arizona State Hospital

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Organizational Chart



Arizona Department of Health Services

The Arizona Department of Health Services is the state agency responsible for assessing and assuring the physical and behavioral health of all Arizonans through education, intervention, prevention, and delivery of services. The Arizona Department of Health Services consists of six major service units which report to the Director of the Department.

Behavioral Health Services

Behavioral Health Services is the largest of these service units, both in number of staff and size of budget. The Division of Behavioral Health Services was recreated within the Arizona Department of Health Services by Arizona Revised Statutes §36-3402 et. seq., effective August 13, 1986. The intent of the Arizona State Legislature was to create permanent authority for behavioral health and to express a commitment to the importance of planning, administering, regulating, and monitoring all facets of the state public behavioral health system. The Division of Behavioral Health Services has primary responsibility for administering a system of behavioral health care that is responsive, individualized, compassionate, culturally sensitive, and equally accessible.

The Arizona State Hospital Governing Body

The Arizona State Hospital Governing Body is composed of the Chief Medical Officer of Behavioral Health Services who serves as Chairperson, an Arizona State Hospital staff physician, a community representative, and a Regional Behavioral Health Authority representative. Although the Governing Body does not have direct supervisory responsibilities for the Chief Executive Officer/ Superintendent of the Arizona State Hospital, the Governing Body does provide overall guidance for Hospital leadership by reviewing performance improvement plans, critical indicators and credentialing clinical staff.

The Arizona State Hospital Advisory Board

Arizona State Hospital Advisory Board Established by Arizona Revised Statutes §36-217, the Arizona State Hospital Advisory Board is composed of the thirteen members appointed by the Governor of the State of Arizona. The Board advises the Assistant Director of Behavioral Health Services and the Hospital Chief Executive Officer/Superintendent in the development, implementation, achievement and evaluation of goals, as well as in communicating special Hospital or patient needs directly to the Office of the Governor. Additional duties include providing advice related to Hospital facilities, maintenance, staffing, programs and services; standards for patient rights; budget review; community education on the role of the Hospital and coordination of services with community-based providers.

The Arizona State Hospital

The Arizona State Hospital receives overall direction and supervision from the Chief Executive Officer/Superintendent, who directly supervises the Chief Medical Officer, the Chief Operating Officer, the Nurse Executive Officer and the Chief Quality Officer. These individuals have both clinical and administrative responsibilities. Although many of the services consist of both clinical and administrative components, for clarification of presentation the Hospital's services are divided into two major divisions addressing: [1] Clinical/Direct Patient Care Services, which includes a component addressing Patient Treatment Programs; and [2] Administrative/Patient Support Services.

Clinical/Direct Patient Care Services

The Clinical/Direct Patient Care Services include all of the treatment, rehabilitation and care services that are provided to the patients on a day-to-day basis [e.g., Medical Staff services, nursing services, and specialized clinical services]. The Chief Executive Officer/Superintendent provides overall leadership and direction for the Hospital, direct supervision for human resource services and serves as the primary liaison with Behavioral Health Services and the Arizona Department of Health Services. It is this person's responsibility to ensure that quality clinical care is provided for the patients of the Hospital.

The Chief Medical Officer is responsible for overseeing clinical/direct patient care services and ensures that patients' legal rights related to the court commitment process are upheld. Patients are admitted to the Hospital for court ordered treatment which is time limited; therefore each patient's court order is carefully monitored to ensure that individual patient rights are not violated.

In addition, the Chief Medical Officer supervises subordinate medical staff including psychiatric, medical and specialized services, specialty clinics, pharmacy services, medical laboratory services, psychology services, social work services, rehabilitation services (including occupational therapy, recreational therapy and the Psychiatric Rehabilitation Program model), religious services and patient education services. The clinical/direct patient care services of psychiatry, medicine, nursing, psychology, social work, education, and

rehabilitation are provided through patient treatment programs and treatment units that are designed to meet the needs of the patients.

The Chief Operating Officer is responsible for the contracted support services and facility management services that coordinate closely with the clinical/direct care services to ensure continuity of patient care and a seamless service system. These services include business support services, both Hospital fiscal management and patient finance; dietary, environmental and laundry services; telecommunication services and security services. Security services are a crucial component since patients are court ordered for treatment because they are a danger to themselves or to others. The Chief Operating Officer has the primary responsibility for the day-to-day Hospital operations.

The Nurse Executive Officer is responsible for providing clinical leadership and supervision for psychiatric nursing and medical nursing services. It is this person's responsibility for ensuring that adequate, qualified personnel staff each treatment unit, on all three shifts. Nursing Services represents the largest component of the Hospital's staff; therefore, continuous monitoring of the nursing staffing pattern is required to ensure patient treatment and care needs are met.

These services, which include individual and group counseling, medication administration, patient education, infection control, guidance in activities of daily living, and general supervision are provided on each of the treatment units, twenty-four hours per day, seven days per week.

Administrative/Patient Support Services

The Administrative/Patient Support Services covers the day-to-day operations of the Hospital, the replacement of automation systems and the long-range planning for Hospital reconstruction.

The Chief Quality Officer is responsible for many administrative/patient support services that overlap between clinical and administrative services. These services include performance improvement which evaluates both clinical and administrative services to implement improvement activities; risk management which identifies and implements actions to reduce potential risk; the utilization management program which reviews patient admissions and continued stays to ensure cost effective and efficient care; the Hospital information system which maintains the patient demographic and clinical computerized databases; health records services which maintains both current and historical patient health records; safety management which coordinates compliance with required safety standards; contract monitoring; staff training and education; research and evaluation of hospital-wide coordination of regulatory body survey/inspection readiness; and environment of care and safety management.

Patient Treatment Programs

Adult Psychiatric Rehabilitation Program

The Adult Psychiatric Rehabilitation Program consists of seven treatment units. Each treatment unit serves as an admission, treatment and discharge unit although patients may be transferred from one treatment unit to another based upon their special needs.

These treatment units specialize in providing services to the seriously mentally ill patients who are civilly committed as a danger to self, danger to others, gravely disabled, and/or persistently and acutely disabled; those who are placed at the Hospital by guardianship; those who are in the process of transition to community placement; and/or the seriously mentally ill patients who also have special medical needs.

Treatment modalities include medications and medication education, psychiatric rehabilitation and individualized group therapy, structured unit activities, leisure planning and recreational therapy; and community-based programs. Emphasis is placed on activities of daily living since many patients have deficits that impede their capacity to live more independently in community settings.

Forensic Restoration to Competency Program; Forensic Rehabilitation Program for the Guilty Except Insane; Forensic Rehabilitation Program for the Not Guilty by Reason of Insanity Patients

The Forensic Restoration to Competency Program, Forensic Rehabilitation Program for the Guilty Except Insane and the Forensic Rehabilitation Program for the Not Guilty by Reason of Insanity consists of six treatment units. Each treatment unit serves as an admission, treatment and discharge unit although patients may be transferred from one treatment unit to another. These programs serve as the treatment programs for evaluation and treatment of patients who have been court-ordered for pre-trial evaluation, have been adjudicated Not Guilty by Reason of Insanity (adjudicated prior to January 2, 1994) or Guilty Except Insane (adjudicated after January 2, 1994) or transfers from a psychiatric prison.

Patients with a potential for violent or dangerous behavior, patients with a high escape risk, and patients with legal requirements on placement also receive treatment within these programs. Major treatment modalities include pharmacotherapy, psychological services and extensive assessment, psychiatric rehabilitation and substance abuse treatment, psychotherapy focusing on participating in treatment, interpersonal skill development, educational services for patients requiring restoration to competency, specific discharge plans and goal development. Each treatment unit provides a secure environment for various additional therapeutic activities with limited off-unit privileges granted on an individual basis.

Adolescent Treatment Program

The Adolescent Treatment Program consists of one treatment unit which serves as the admission, assessment and treatment program for adolescents under the age of eighteen (18) requiring approximately three to four months of inpatient treatment as a result of a substantial mental disorder or forensic evaluation.

Major treatment modalities include individual and group therapy, family therapy, academic programs, occupational and recreational therapy, and psychotropic medications, as appropriate. Onsite education is provided through Maricopa County in a fully certified special education program. Aftercare planning and

placement of the patient are essential components of treatment; active liaison between the Hospital and community providers occurs to assist outpatient service providers in placement and treatment referrals.

Multi-Disciplinary Clinical Teams

Multi-Disciplinary Clinical Teams Provide Guidance: In all of the treatment programs, the results of the patient's clinical evaluations, the patient's acuity level, and the patient's legal status at the time of admission provide the multi-disciplinary clinical team guidance in determining the patient's least restrictive and most appropriate level of placement within the Hospital. Throughout the patients' hospitalizations, the multi-disciplinary clinical team continually reviews the patient's legal status and reviews and revises the patients' individualized treatment and discharge plans to ensure appropriate treatment and placement continue.

This clinical team is responsible for completing the evaluations and developing a comprehensive, individualized treatment and discharge plan that addresses the biological, psychological, spiritual and socio-economical issues to meet the patient's personal needs. The patient's psychiatrist, who provides leadership for the clinical team, coordinates the patient's care and ensures a there is coordinated, well-defined patient treatment and discharge plan in place.

Throughout a patient's treatment, the Hospital strives to assist the patient to be placed in the least restrictive and most appropriate therapeutic treatment environment. Patient placement within the Hospital is made after assessment, consideration of all treatment factors, and discussion with the appropriate community behavioral health system service providers to assure the chosen placement provides maximum therapeutic benefit. The Hospital is continually cognizant of its responsibilities to patients and the community.

In order to provide quality care for the patients, Hospital personnel actively participate in the statewide continuum of behavioral health care, coordinate the development of the patients' treatment and discharge plans with the patients and the appropriate community behavioral health system service providers, and encourage patient placement in alternative community programs in accordance with the individual service plan developed with the community service providers as soon as the patient was adequately prepared for placement.

Psychiatric Rehabilitation Program Model

- **Symptom management module -** designed to help patients, disabled by a chronic mental illness like schizophrenia, become more self reliant in managing their psychiatric symptoms. Major components include identifying warning signs of a relapse; managing warning signs; coping with persistent symptoms; and avoiding alcohol and street drugs.

- **A medication management module -** designed to help patients disabled by a chronic mental illness become progressively more self-reliant in their use of anti-psychotic medication. Major components include obtaining information about anti-psychotic medication; knowing correct self-administration and evaluation of medication; identifying side effects of medications; and negotiating medication issues with health care providers.

- **Basic conversation skills modules -** designed to provide the patient with the basic skills needed to start friendly conversations, keep them going, and end them pleasantly. Major components include verbal and nonverbal communication behaviors; starting a friendly conversation; keeping a friendly conversation going; ending a conversation pleasantly; and putting it all together.

- **Recreation for a leisure module -** designed to help a wide range of people in all age groups become more self-reliant and resourceful in the use of their leisure time. Major components include identifying benefits of recreational activities; getting information about recreational activities; finding out what is needed for a recreational activity; and evaluating and maintaining a recreational activity.

Arizona Community Protection and Treatment Program for Sexually Violent Persons

Arizona Community Protection and Treatment Program for Sexually Violent Persons: With consultation from a leading authority on program development for the sexually violent person, a comprehensive program for sexually violent persons was established in 1997 on the Hospital grounds, and is now known as the Arizona Community Protection and Treatment Program. Arizona's Program has gained national recognition and has toured visitors from throughout the United States and several foreign countries over the past year.

During fiscal year 2000-2001, the Arizona Community Protection and Treatment Program admitted 43 new residents to the program that brought the total number of residents to 135. Arizona Community Protection and Treatment Program opened the 60-bed Willow Unit in the fall, bringing program capacity to 180 beds. In November 2000, the Arizona Community Protection and Treatment Program began construction of the 60-bed Mesquite Unit. Of the 135 residents at the end of the fiscal year, 48 were undergoing court ordered treatment, 23 were placed in a least restrictive alternative, and the remaining 64 were awaiting court hearings. An additional 25 residents were pre-trial dismissals by the court.

Chapter 4

Evaluation of FY 2000-2001 Strategic Planning

Strategic Planning Evaluation: At the beginning of fiscal year 2000, under the direction of the Arizona State Hospital Advisory Board, the Executive Management Team, senior clinical team members and other Hospital administrative representatives reviewed the Hospital's goals and determined that they remained appropriate. With concurrence from the Hospital's Governing Body and the Advisory Board, efforts continued toward attainment of these goals throughout fiscal year 2000 – 2001. The Hospital identified seven key directions with strategic goals and objective to continually monitor.

Strategic Plan Key Directions

I. **The Arizona State Hospital will be a Center of Excellence for quality services to persons with mental illness.**

II. **The Arizona State Hospital will provide clinically and culturally competent assessment and treatment services for persons with serious mental illness, with a focus on those who are in need of specialized services not currently available in the community and those who have the most difficult/complicated conditions to treat.**

III. **The Arizona State Hospital will provide forensically committed individuals effective services in a secure and therapeutic environment including treatment and discharge planning which assures public safety.**

IV. **The Arizona State Hospital will coordinate services with the community health and social service systems.**

V. **The Arizona State Hospital will provide and participate in patient, family and community education.**

VI. **The Arizona State Hospital will promote staff development and satisfaction.**

VII. **The Arizona State Hospital will provide a safe and therapeutic environment.**

These seven key directions, each with its own corresponding goals, objectives and strategies, are now contained in an updated strategic plan that will be tracked to ensure the best and most timely implementation possible.

Strategic Planning Fiscal Year 2000-2001; Key Directions, Goals and Objectives

Key Direction I

The Hospital will be a Center of Excellence for quality services to persons with mental illness.

Quality of care decisions will be based on best practices. To accomplish this goal, the Hospital attained Health Care Financing Administration Medicare certification and maintained its Joint Commission on Accreditation of Healthcare Organization accreditation and Arizona Department of Health Services licensure. A survey readiness team was established and program Performance Improvement processes continue to be strengthened and enhanced. New Employee Orientation was expanded, Recruitment and Retention remained a major focus, in the Incident Reporting process was improved and a Risk Management Process plan was implemented. The Hospital Clinical Council continues to develop protocols and review as needed.

The Hospital continues to contribute to the body of professional knowledge regarding best practice standards by providing statewide consultation and training for the community; providing professional presentations and publications on a statewide, regional and national bases; enhancing its capacity to conduct evaluation and research; and to implementation of its electronic medical records by January 2002. The new computer system will contribute to public policy decision making by providing current data regarding patients, services and patient outcomes to those statutorily entitled to this information.

Key Direction II

The Hospital will provide clinically and culturally competent assessment and treatment services for persons with serious mental illness, with a focus on those who are in need of specialized services not currently available in the community and those who have the most difficult / complicated conditions to treat.

The goal is to improve the "Quality of Life" of the individual patient by decreasing symptoms and increasing the functioning level to involve patients in day-to-day decision-making. Programs and services were organized in June 2000 to support patient choice to involve patients in day-to-day decision-making. Eighty-five percent of the patients were satisfied with services received. Incidents of restraint and seclusion were reduced.

Persons with Serious Mental Illnesses are restored and returned to the least restrictive, most appropriate community setting available as quickly as possible. This has been accomplished by increasing patient and community participation in the discharge and treatment planning, providing more hours of documented active treatment and decreasing the length of stay on the discharge ready list.

Key Direction III

The Hospital will provide forensically committed individuals effective services in a secure and therapeutic environment including treatment and discharge planning which assures public safety.

The goal is for individuals who are committed to the Hospital as Incompetent to Stand Trial to receive effective and efficient psychiatric services in compliance with the applicable statutes. Within 90 days of admissions, 70% of the committed individuals are returned to the court either restored to competency or having been determined "non-restorable". Within 12 months of admission, 95% of the committed individuals have a final opinion regarding their trial competency.

Another goal is that persons adjudicated Not Guilty by Reason of Insanity or Guilty Except Insane, will be free of any dangerous-to-others behaviors prior to the exposure to the public. Ninety percent (90%) of the individuals committed to the Hospital as Not Guilty by Reason of Insanity or Guilty Except Insane were free of any dangerous to others behaviors within 180 days of their admission. 100% of the individuals committed to the Hospital as Not Guilty by Reason of Insanity or Guilty Except Insane were free of any dangerous to others behaviors prior to their having any independent privileges off the secure unit.

A third goal is to promote community / public safety in partnership with the criminal justice and community mental health system. By July 2000, strategies were implemented to ensure civil commitment (when appropriate) for individuals who are not restorable to trial competency. The objective is that 100% of the individuals committed to the Hospital as Not Guilty by Reason of Insanity or Guilty Except Insane have a detailed out-patient treatment plan, ensuring community/public safety, at the time of their discharge from the Hospital has been met.

A fourth goal, to ensure the appropriateness of admissions to the Forensic Services of the Hospital, was met by becoming effectively involved in the efforts to decriminalize mental illness. Plans to provide clinical liaison support to the counties was deemed not to be feasible at this time.

Key Direction IV

The Hospital will coordinate services with the community health and social service systems

The goal is for patients to have a well-coordinated, effective, efficient and planned transition to the community from the Hospital and vice-versa. The objective of discharge within 30 days of being identified as discharge ready was not met, but the regional behavioral health providers now participate in patient treatment and discharge planning sessions at the Hospital. By July 2001, the objective is to have the regional behavioral health authorities statewide positioned as the gatekeeper for civil patients.

The goal of participating in the design and development of comprehensive services for adolescents was met and discontinued.

The goal of providing persons with specialized needs a complete continuum of care was partially met and continues on an on-going basis. The objective to implement the strategies, protocols and linkages to the community health and social services systems is under revision.

Key Direction V

The Hospital will provide patient, family and community education

Patients, families and significant others are now provided information about their (or the patient's) specific mental illness to enhance their understanding of and ability to manage symptoms of that mental illness. By January 2000, the Hospital provided regularly scheduled opportunities for patient family and significant others to participate in the treatment planning process. By June 2000, it had implemented an enhanced patient / family education program.

One of the main goals of this fiscal year was to increase the public's understanding of the role of the Hospital in the community mental health system. The mental health community now has a greater understanding of the role of the Arizona State Hospital, in part due to the deliberations of the Mental Health Task Force convened by the Governor and the Legislature, as well as presentations made on a statewide basis.

Key Direction VI

The Hospital will promote staff development and satisfaction.

The goal is to provide a safe, respective and rewarding work environment for all staff was advanced in August 1999, when the recruitment and retention plan was implemented. By April 2000, the contracted hospitality service staff were integrated with Hospital staff at the unit level. Strategies to improve effective teamwork were partially met by January 2000.

The Hospital has partially met its goal to provide on-going training and educational opportunities to promote "state of the art" skills, knowledge and abilities by developing a plan to enhance degree program opportunities for staff. It has met the objective of expanding internships and fellowships and is developing strategies and curricula to support staff competency to compliment the special program needs of Hospital patients.

Key Direction VII

The Hospital will provide a safe and therapeutic environment

The Hospital facilities' goal is to meet all standards for line-safety, licensure and accreditation. It satisfactorily addressed all existing code and physical plant deficiencies. It has developed and implemented an ongoing plan for maintaining compliance with life-safety standards.

Providing a safe, therapeutic and respectful environment of care that meets the individual patient's needs and preferences is another goal. By November 1999, criteria were established for the timeliness of completion of work orders. By January 1, 2000, complete retraining of the Hospital staff was included in the orientation. Continuing goals include improving the physical environment and campus utilization of the Hospital continues to participate in the development of the plan for the new Hospital facilities.

Chapter 5

Future Outlook and Challenges

The Hospital continues to meet the needs of mentally ill individuals who require inpatient treatment and services in a dynamic, ever-changing world. To this ends, the Hospital successfully regained Medicare certification in June 2000. Key challenges in the foreseeable future include:

Managing Hospital Admissions (Daily Patient Census)

One of the biggest challenges facing the Hospital is the management of the daily census.

This is critical to the Hospital's ability to provide effective active patient treatment in a safe and therapeutic environment. It is also a critical element in complying with accreditation, certification and licensure standards of federal and state regulatory agencies. Towards this end, the Arizona Department of Health Services and the Arizona State Hospital are seeking an extension of the session law enacted in 2001 that allowed the Hospital to establish temporary waiting lists when funded bed capacity is reached.

Throughout this fiscal year, the Hospital continually addressed the patient census by reviewing issues related to patient placement based on civil commitments, forensic commitments and male vs. female bed availability. The Hospital's end of month census varied from a low of 292 in November 2000 to a high of 316 in July 2000. As a result, the Hospital was successful in not exceeding its licensed capacity of 335 beds at any time during the year.

The transition from primarily serving civilly committed persons to services forensically committed persons has continued. Exhibit #3, "Legal Status at Admission" (page 39) and accompanying data clearly indicate that the forensic admissions (Title 13 and Transfer of Prisoner categories) account for approximately 64% of the total admissions. Title 13 Restoration to Competency accounts for approximately 51% of total admissions.

Adult civil commitments accounted for 25% of the admissions during the fiscal year. The increased "gatekeeping" efforts by the Regional Behavioral health Authorities, in cooperation with the Hospital's diversion efforts, have decreased the adult civil commitments. As community-based care givers increase in numbers, the Hospital's role is changing from providing care along a broad continuum –acute to chronic – tot hat of providing a tertiary level of care for people who do not respond to brief periods of inpatient care, and / or who present serious threats to self or others.

Recruitment and Retention

The Hospital has made great strides in developing a staffing pattern that meets patients' needs based on patient acuity, but the Hospital must have the ability to remain competitive in the future to sustain this success.

During the fiscal year 1999, the Hospital requested selected position classification upgrades and increased salaries for licensed nurses, psychiatric technicians, social workers, rehabilitation technicians and security personnel. The Hospital received a supplemental appropriation of $4,369,800 in FY 98/99 to support salary increases and an increase in operating expenses which allowed for the opening of an additional forensic treatment unit and a new self care treatment unit.

These appropriations directly impacted the Hospital's endeavors to recruit and retain qualified, well-trained personnel throughout the past two years. In July 1999, the Hospital was able to discontinue the use of nursing registry services (at $50 per hour) on which it had relied to maintain adequate staffing levels and to cover employee shortages and replaced it with an internal nursing pool.

Implementation of An Integrated Automation System

Successful development and implementation of integrated automation is an integral part of the Hospital's future plans for effective patient management.

The Hospital is currently in Phase II of a program to increase computer and automation capability, a process that began in FY 98/99 with Government Information Technology Agency approval to proceed. Phase I included replacement of the current system as it pertained to patient demographic data and the current financial and business capabilities. The new automation system was in place by the end of Fiscal Year 1999. Increasing computer and automation availability, resolution of related computer issues, and completion of Phase II of the project continued throughout the fiscal year.

Effective Communications (Internal and External)

Effective internal communications between the Hospital, the Division of Behavioral Health Services, and the Department of Health Services, continued with the Chief Executive Officer / Superintendent serving as an active member of the department's Executive Management Team.

The Chief Executive Officer/Superintendent participates in the monthly Behavioral Health Services/Regional Behavioral Health Authority Director's meetings and attended the Behavioral Health Planning Council meetings.

Increase Active Patient Treatment

Increasing active treatment by improving both the quality and quantity of services provided is an on-going challenge.

The therapeutic needs of the patients on each treatment unit are continuously monitored to ensure patient-centered active treatment and rehabilitation. In addition to ensuring the weekday therapeutic activities, the Hospital expanded its evening and weekend therapeutic groups, as well focused on the importance of the patients' "Clubhouse" and the patients' therapeutic work program.

Effective Management of the Arizona Community Protection and Treatment Center Program

The challenge is to make sure the Arizona Community Protection and Treatment Center has the room to house and treat sexually violent persons committed to the Program.

Guilty Except Insane Issues (GEI)

Research issues related to the appropriateness of Guilty Except Insane Commitments.

Currently, 100 Guilty Except Insane patients are committed to the Hospital under determinate sentencing laws. Assessment by the Hospital clinical staff disclosed concerns with the adjudication process and following passage of Senate Book 1060 in the 2001 legislative session, a workgroup volunteered to look at the issue in depth to explore ways to improve the process. The Hospital continues to work with the counties, courts and legal professionals to address implementation of the Guilty Except Insane statutes to insure that Guilty Except Insane admission criteria is followed.

Summary of Future Challenges

In addition to the challenges previously enumerated regarding maintaining Medicare certification and the shift toward serving an increasingly forensic and more behaviorally disturbed population, major current issues facing the Hospital include:

- **Ability to Manage the Daily Census** – Managing the daily patient census to meet licensure requirements and address the difficulties in meeting the volume of demand for admission for individuals referred through civil and forensic commitment proceedings. The Hospital will seek legislative extension of session law to allow wait lists when funded capacity is met.

- **Recruitment and Retention** – Ensure that the Hospital has the competitive ability to recruit and retain qualified staff to provide active treatment in a safe and therapeutic environment. These measures are critical to the Hospital's ability to implement a continuous survey readiness attitude, expand staff training and research opportunities while providing quality patient care.

- **Construction Logistics** – Effectively manage operations during construction of a new Hospital and prepare for renovation of existing buildings while continuing to treat current patients in the existing Hospital.

- **Guilty Except Insane Issues** – Continue working with the counties and courts to educate judges, lawyers and mental health professionals involved in the Guilty Except Insane adjudication process; establish certification standards for mental health experts who do insanity evaluations; and, establish insanity evaluation requirements. Pursue legislation creating a disposition option for those deemed no longer mentally ill but still dangerous to be referred back to the courts for determination of how to complete their Guilty Except Insane presumptive sentence.

- **Integrated Automation System** – Increase computer and automation capability throughout the Hospital, resolving computer issues and completing electronic medical records project.

- **Effective Communications** – Addressing policy makers and advocacy groups' concerns while serving a complicated mix of civil and forensic patients, as well as persons committed as sexually violent offenders.

- **Increase Active Patient Treatment** – Developing specialized treatment programs, expanding research and program evaluation capabilities, and enhancing patient, family and community participation. The Hospital plans to address broad linguistic and cultural needs of the patient population to enhance patient outcomes.

- **Effective Management of the Arizona Community Protection and Treatment Center Program** – ensuring that the Arizona Community Protection and Treatment Center has the capacity to house and treat all sexually violent persons committed to the Program.

During the fiscal year, the Hospital's leadership remained committed to the Hospital's "Operating Values," which were adopted in April 1999. These value statements form a matrix identifying:

1. **Organizational challenges (internal and external demands)**
2. **Values (conceptions of the desirable)**
3. **Personal behaviors (observable actions)**

Under the leadership of its Advisory Board, the Hospital completed a strategic planning process, establishing a clear course for the Hospital beginning with fiscal year 2000.

The process for developing the Hospital's Strategic Plan included Hospital staff, patients, families, advocates, providers of services, focus groups, expert panels, regional behavioral health A directors, community forums, and the results of a survey process that involved more than 100 other state hospitals. This broad based participation resulted in the development of the seven Key Directions discussed earlier, each with its own corresponding goals, objectives and strategies. This is now tracked to ensure the best and most timely implementation possible.

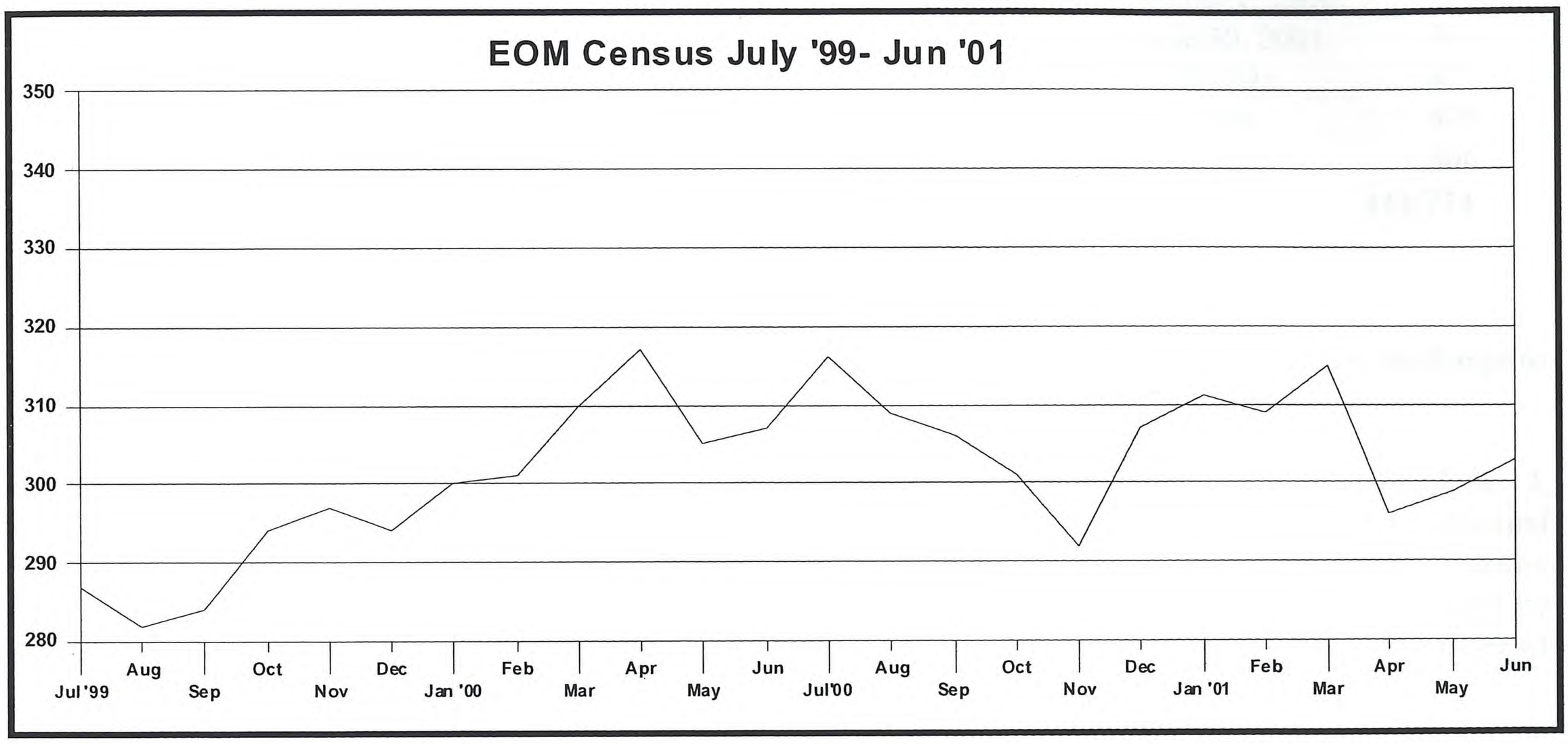
The Hospital is firmly committed its "Vision Statement" and "Mission Statement." Both provide direction and a reaffirmed commitment for all Hospital staff throughout fiscal year 2000-2001 and beyond. With continued support from the Division of Behavioral Health Services, the Arizona Department of Health Services, advocacy groups, the Hospital's Advisory Board, the Governor's Office, the State Legislature and citizens of Arizona, the Hospital will continue to restore and enhance the quality of life and health of persons with mental illness, will advocate for the special needs of the mentally ill and will meet the needs of persons with serious mental illness in the State of Arizona.

Patient Demographics and Statistics

End of the Month Census

The Arizona State Hospital began this fiscal year on July 1, 2000, with a patient census of 307. Throughout the fiscal year, the Hospital admitted 475 patients, of which 62 were readmissions from an administrative discharge to a medical facility; discharged 479 patients, of which 68 were administrative discharges to medical facilities; and ended the fiscal year June 30, 2001, with a census of 303, a decrease of 4 patients. The average daily census for the fiscal year was 306. These patients accounted for a total of 111,774 patient days*, an increase of 2779 days compared to the previous fiscal year. The patient end of month census covering July 1, 1999 through June 30, 2001 is depicted in Exhibit #1.

EXHIBIT # 1



END OF MONTH CENSUS, Fiscal Year 99 / 00 through Fiscal Year 00/01

End of Month Census Data Fiscal Year 99 / 00 through Fiscal Year 00/01							
Fiscal Year 1999 - 2000				Fiscal Year 2000 - 2001			
July	287	Jan.	300	July	316	Jan.	311
Aug.	282	Feb.	301	Aug.	309	Feb.	309
Sept.	284	Mar.	310	Sept.	306	Mar.	315
Oct.	294	Apr.	317	Oct.	301	Apr.	296
Nov.	297	May	305	Nov.	292	May	299
Dec.	294	June	307	Dec.	307	June	303

*Patient days are defined as a patient assigned to a unit, i.e. occupies a bed on that unit. The patient can be on pass and the bed day will be counted as "occupied" for that day.

A comparison of monthly admissions to and discharges from the Hospital is presented in Exhibit #2.

EXHIBIT # 2
MONTHLY ADMISSIONS AND DISCHARGES

Fiscal Year 00/01	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Admit	50	34	34	38	25	45	47	36	40	29	55	44	475[1]
Discharge	41	41	37	43	34	28	43	38	34	48	52	40	479[2]

FY 99/00 Data:

Beginning Census as of July 1,1999:	302
Ending Census as of June 30, 2000:	307
Admissions 7/1/99 - 6/30/00:	423
Discharges 7/1/99 - 6/30/00:	418
Average Daily Census FY 99/00:	298
Number of Patient Days:	108,995

FY 00/01 Data:

Beginning Census as of July 1, 2000:	307
Ending Census as of June 30, 2001:	303
Admissions 7/1/00 - 6/30/01:	475
Discharges 7/1/00 - 6/30/01:	479
Average Daily Census FY 00/01:	306
Number of Patient Days:	111,774

Admission Statistics (see Exhibit # 3)

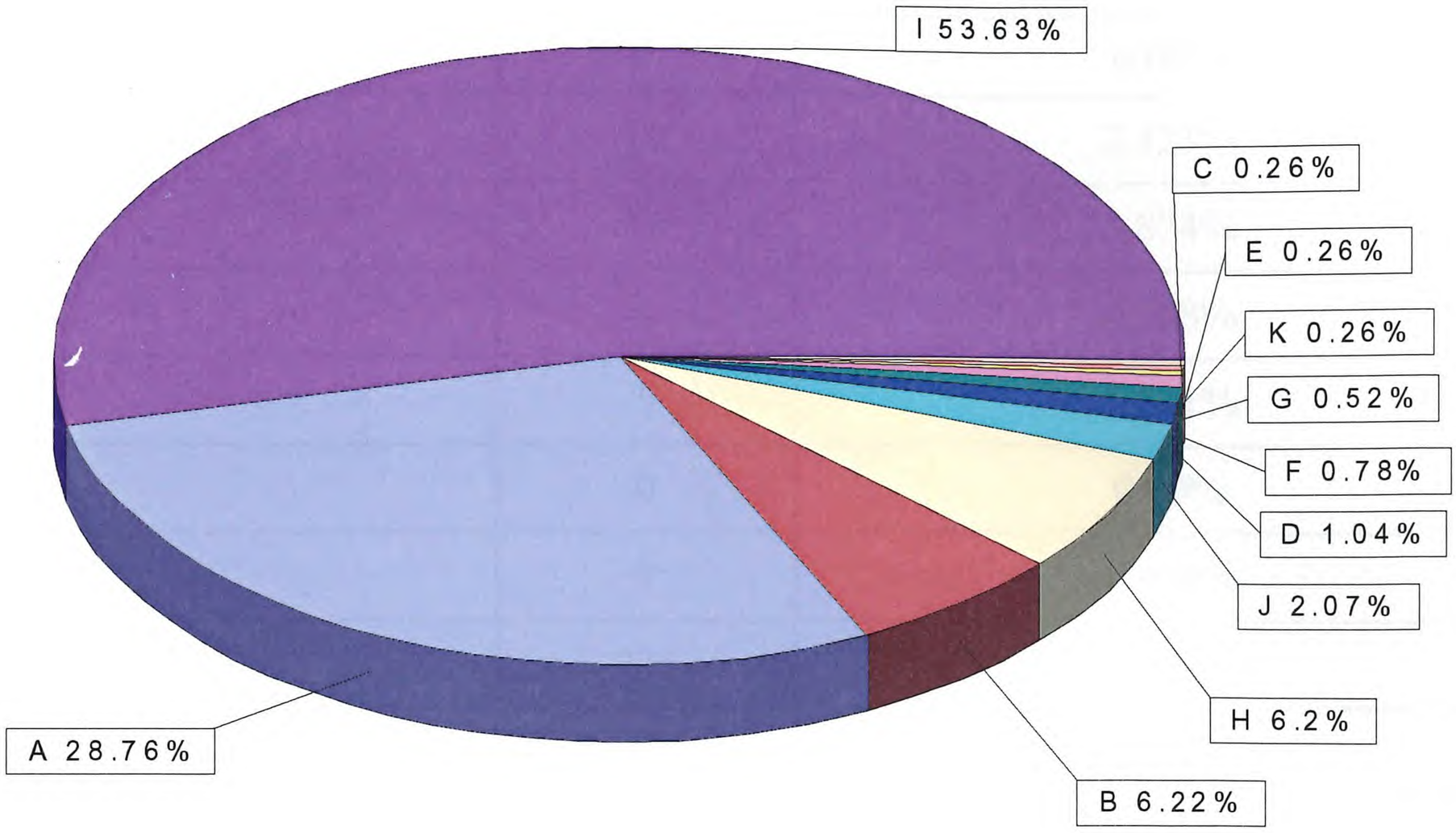
The Hospital admitted 475 patients this fiscal year, of which 62 were returns from administrative discharge to a medical facility leaving 413 non-administrative medical admissions.

Adult Admissions: Of the 413 admissions, 372 were adult commitments: 206 were admitted under Title 13, Restoration to Competency; 98 were admitted under Title 36, Court Ordered Treatment; 43 were admitted under Title 13, Guilty Except Insane; 3 were admitted under Title 13, Observation; 2 were admitted under Title 36, Placement by Guardian; 7 were admitted under Title 13 Not Responsible for Criminal Conduct by Reason of Insanity: 7 was admitted under Rule 11, Observation; and there was 3admitted under Transfer of Prisoner and 3 were admitted as Voluntary. [Exhibit #3].

Adolescent Admissions: Of the 413 admissions to the Hospital this fiscal year, 41 were adolescent commitments: 20 were admitted under Title 8, Juvenile Commitment; 11 were admitted under Title 8, Restoration to Competency; and 6 was admitted under Title 8, 3 were admitted under Court Ordered Treatment, and 1 was admitted as Voluntary.

Admission Averages: The average monthly admission rate of the total 475 admissions was 39.6, ranging from a low of 25 in November 2000 to a high of 55 in May 2001 [Exhibit #2]. The average monthly discharge rate of the total 479 discharges was 39.9, ranging from a low of 28 in December 2000 to a high of 52 in May of 2001.

EXHIBIT # 3: LEGAL STATUS AT ADMISSION



Legal Status at Admission Fiscal Year 00/01			
Code	**Legal Status**	**Number**	**Percentage**
A	Title 36-540 Court Ordered Treatment	101	24.45%
B	Title 8, Juvenile Commitment	20	4.84%
C	Title 8, Juvenile Guilty Except Insane	0	0.00%
D	Title 8, Juvenile Restoration to Competency	11	2.66%
E	Rule 31 - 226 Transfer of Prisoner	0	0.00%
F	Title 36-547.04, Placement by Guardian	2	0.48%
G	Title 13-3994, Not Guilty by Reason of Insanity	7	1.69%
H	Title 13, Guilty Except Insane (as of 01/2/94)	43	10.41%
I	Title 13-45.12, Restoration to Competency	212	51.33%
J	Title 13-45.07, Observation (as pf 10/01/95)	3	.73%
K	Rule 11, Observation (pre 10/01/95)	0	0.00%
L	Title 14 with Mental Health Powers	7	1.69%
	Title 31 – 266F Petition for Transfer for Court Ordered Treatment	3	0.73%
	Voluntary	4	0.97%
	Total Fiscal Year 2000-2001 Admissions	**413***	**100%**

* This figure does not include returns from administrative discharges to medical facility

EXHIBIT # 4 ADMISSIONS BY COUNTY[1]		
County of Admission	**Number**	**Percent of Total Admissions**
Apache	0	0.00%
Cochise	10	2.421%
Coconino	16	3.874%
Gila	4	0.968%
Graham	5	1.211%
Greenlee	0	0.00%
LaPaz	2	0.484%
Maricopa	223	53.995%
Mohave	17	4.116%
Navajo	10	2.421%
Pima	94	22.760%
Pinal	17	4.116%
Santa Cruz	0	0.00%
Yavapai	11	2.663%
Yuma	4	0.968%
Total Admissions Fiscal Year 00/01	**413**	**100.00%**

Admission by County

Maricopa County has the highest number of admissions by county with 223 (54%). Pima County accounted for 94 (23%) of the total admissions. The remaining thirteen counties accounted for 96 (23%) of the total admissions (Exhibit #4). Maricopa and Pima counties accounted for 77% of the 413 admissions during this fiscal year. Individuals admitted to the Hospital for the first time accounted for 270 of all admissions for FY 00/01. It is believed that the stabilization of the first time admission percentage is due to the fact that the majority of the admissions are referred from the legal system and are admitted under Title 13, Restoration to Competency Program.

The readmission rate for patients with length of stay out of the hospital of less than 180 days was 25 (6.0%). The Hospital's recidivism rate for FY 00/01 was 6.0%, an increase of 1.6% compared to the Fiscal Year 99/00 rate of 4.4% and the Fiscal Year 98 / 99 rate of 9.2%. Recidivism is defined as the readmission of a patient who was discharged from the Hospital within 180 days prior to readmission. All other admissions accounted for 102 admissions.

Admissions by diagnostic grouping (patient diagnosis at the time of admission) indicated the category of schizophrenic disorders accounted for 118 (29%) of all admissions and affective disorders accounted for 84 (20%). These two diagnostic categories have continued to be the major diagnostic groupings for patient admissions at the Hospital.

DISCHARGE STATISTICS:

The Hospital discharged 479 patients during this fiscal year, of which 68 were administrative discharges to a medical facility. The average monthly discharge rate of the 479 patients was 39.92, ranging from a low of 28 in December 2000 to a high of 52 in May 2001 (Exhibit #2).

Exhibit #5 provides detailed data for discharge length-of-stay for patients with a non-forensic legal status, discharge length-of-stay for patients with a forensic legal status and a total discharge length-of-stay for all patients during Fiscal Year 00/01.

EXHIBIT #5
DISCHARGE LENGTH-OF-STAY FOR PATIENTS NOT DISCHARGED TO A MEDICAL FACILITY

Length of Stay For Discharge	Non-Forensic		Forensic*		Total	
	#	%	#	%	#	%
Less than 90 days	23	16.0%	159	59.3%	182	44.3%
90-180	41	28.7%	78	29.1%	119	28.9%
181-365	31	21.7%	15	5.6%	46	11.2%
366-1095	34	23.8%	8	3.0%	42	10.2%
1096-2190	9	6.3%	4	1.5%	13	3.2%
2191-3650	3	2.1%	3	1.1%	6	1.5%
Greater than or equal to 3650 days	2	1.4%	1	0.4%	3	0.7%
TOTALS	**143**	**100.00%**	**268**	**100.00%**	**411**	**100.00%**

EXHIBIT #6
MEAN DISCHARGE LENGTH-OF-STAY

Length-of-Stay	Total Discharged	Mean
Less than 1 year	347	105.97
More than 1 year but less than 3 years	42	612.6
More than 3 years but less than 6 years	13	1618.77
More than 6 years but less than 10 years	6	2994.58
More than 10 years	3	5429.33
Total Average Length-of-Stay	**411**	**286.62**

Note: The mean discharge length-of-stay is the average number of days of Hospitalization per patient during that time period.

Exhibits #5 and Exhibit #6 provide the following information related to patient discharges:

- Of the 143 total non-forensic patients discharged, 64 or 44.8% had a discharge length-of-stay less than 180 days.

- Of the 268 forensic patients discharged, 237 or 88.4% had a discharge length-of-stay less than 180 days; of the 237 discharged with a length-of-stay less than 180 days, 215 were discharged from the Restoration to Competency Program, 11 were discharged from the Guilty Except Insane Program, 7 were discharged from the Title 13, Observation Program, 3 were discharged from Title 31-226F Petition for Transfer for Court Ordered Treatment and 1 was discharged from the Not Guilty by Reason of Insanity Program.

- The number of non-forensic patients discharged with a length-of-stay less than 365 days was 95 or 66.4% of the total non-forensic patients discharged. These data continue to support the premise that the Hospital, the Arizona Department of Health Services/Division of Behavioral Health Services and the regional behavioral health authorities are committed to the concept that non-forensic patients are to be admitted to the Hospital for intensive treatments and shorter durations rather than for extended hospitalization periods.

- The total number of patients discharged with a length-of-stay greater than 3 years was 22. Of these, 3 had been at the Hospital for more than 10 years. These patients require extensive treatment and discharge planning coordination between the Hospital and the community services providers who will provide follow-up services.

- The mean length-of-stay for the 3 patients discharged with length-of-stay greater than 10 years was 4,753 days, or approximately 13 years.

Financial Summary Fiscal Year 2000-2001

Funding Sources (General Operations Based on Budget Allocations):*	
Personnel Services and Related Benefits - General Fund	$ 27,836,182
All Other Operating - General Fund / Arizona State Hospital Fund	10,924,100
Non-Title 36 Revenue	150,000
Rental Income	526,185
Endowment Earnings	400,000
Patient Benefit Fund	81,000
Donations	6,000
Psychotropic Medications	63,500
Arizona State Hospital Information Systems Fiscal Year 00	1,212,900
Community Placement Treatment – Arizona State Hospital Fund	7,848,000
Male Restoration to Competency Fiscal Year 99	567,453
Self Care Unit Fiscal Year 99	218,538
Arizona State Hospital Information Systems Fiscal Year 99 (carry forward)	197,672
Behavioral Health Services Title XIX Psychotropic Medications	300,000
Total Funding	**$ 48,620,958**
Expenditures:*	
Personnel Services and Related Benefits	$ 27,216,576
Professional and Outside Services**	6,985,832
Travel (In-State)	56,840
Travel (Out-of-State)	13,342
Food	-0-
Other Operating	4,548,689
Capital Equipment	201,844
Assistance to Others	5,029,083
Total Cost of Operations	**$ 44,052,206**
Collections (Deposited to the General Fund):	
Patient Care Collections to the General Fund	$ 447,733
Non-Patient Care Collections to the General Fund	2,552
Collections to Other Funds	122,640
Total General Fund Collections	**$ 572,925**

* Excludes Sexually Violent Predators Program

** Contract Physicians, Outside Hospitalization Costs, Outside Medical Services, and privatization of Support Services

Daily Costs by Treatment Program:***	
Medical Psychiatric	$ 443
Adolescent Treatment	653
Psychiatric Social Rehabilitation	326
Adult Rehabilitation	516
Forensic - Restoration to Competency	438
Forensic - Continuing Treatment	374
Average Daily Treatment Costs:**	**$413**



Arizona Department of Health Services
Division of Behavioral Health Services
2122 East Highland Avenue, Suite 100
Phoenix, Arizona 85016
(602) 381-8999